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HOUSE OF COMMONS
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PARLIAMENTARY DEBATES

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House of Commons

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The House met at half-past Nine o'clock

PRAYERS

[Mr Speaker *in the Chair*]

James Berry (Kingston and Surbiton) (Con): I beg to move, That the House sit in private.

Question put forthwith (Standing Order No. 163).

The House divided: Ayes 0, Noes 51.

Division No. 140] [9.34 am

AYES

Tellers for the Ayes:
Kevin Foster and
James Berry

NOES

Ansell, Caroline
Bacon, Mr Richard
Boles, Nick
Bottomley, Sir Peter
Brokenshire, rh James
Brown, Lyn
Burrowes, Mr David
Cairns, Alun
Campbell, rh Mr Alan
Coffey, Dr Thérèse
David, Wayne
Duddridge, James
Efford, Clive
Ellison, Jane
Eustice, George
Field, rh Mark
Garnier, Mark
Glass, Pat
Goodwill, Mr Robert
Hayman, Sue
Hinds, Damian
Hoare, Simon
Hollobone, Mr Philip
Hopkins, Kris
Huq, Dr Rupa
Kirby, Simon
Lammy, rh Mr David
Mackintosh, David
Madders, Justin
Mordaunt, Penny
Nokes, Caroline
Nuttall, Mr David
Onn, Melanie
Patel, rh Priti
Penrose, John
Perkins, Toby
Reed, Mr Steve
Rees, Christina
Rudd, rh Amber
Sandbach, Antoinette
Selous, Andrew
Stewart, Iain
Swayne, rh Mr Desmond
Trevelyan, Mrs Anne-Marie
Vaizey, Mr Edward
Wharton, James
Wilson, Mr Rob
Wood, Mike
Wragg, William
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Noes:
David Morris and
Julian Knight

Question accordingly negatived.

Riot Compensation Bill

Second Reading

9.46 am

Mike Wood (Dudley South) (Con): I beg to move, That the Bill be now read a Second time.

As elected representatives in this House, it is our responsibility to take forward legislation that protects the most vulnerable from all types of harm. I am privileged to promote this Bill, which will help individuals and businesses recover from the devastating impact on communities of widespread public disorder. I am the promoter of the Bill, but much of the work has been done by others. I owe a particular debt of thanks to officers and staff of this House and of the Home Office for the advice, help, support and industry that they have provided in preparing the Bill.

There are many features of this place that come as a surprise to newly elected Members, even those of us who took a close interest in Parliament before getting here. One of the most surprising of all is just how popular a Member who appears high up in the ballot for private Members' Bills suddenly becomes. Unfortunately, that popularity dissipates almost as quickly as it arrived once the Member has settled on a Bill. Nevertheless, I am pleased to bring forward this Bill today.

As I am sure all Members will agree, this is a Bill that I hope will never be used, but it is better to prepare now by ensuring that we have the necessary rules, procedures and structures in place during a time of calm, rather than putting off such thoughts until those measures are urgently needed.

This issue has a particular personal relevance to me. Growing up as the son of a west midlands policeman, I was all too aware from a young age of the impact of riots on local communities and on those responsible for policing them. I remember as a nine-year-old child waking up to see the horrific footage of the Handsworth riots in September 1985. It brought home in the most literal sense the terrible reality of a breakdown in law and order. My father, as a mounted policeman, had been called into work early in response to the violence and destruction that I was then seeing on television. I remember coming home from school just as my father returned home earlier than usual, his hand bandaged and his face pale. I am sure that Members can imagine what was going through my mother's mind.

As we are among friends—and, perhaps more importantly, as my father is not a regular follower of BBC Parliament—I might be safe in letting Members into his little secret. That day, he had gone into the police stables to prepare his horse, where I am afraid he was bitten by a squirrel. Fortunately, that was the most serious injury my father suffered in those riots.

Tragically, others were not so lucky: two brothers were brutally burned to death in the post office they ran. Two other people were unaccounted for and a further 35 were injured. More than 1,500 police officers were drafted into the area, potentially put in the line of danger. They each have families who I am sure are every bit as proud of them as I remain of my father. About 45 shops were looted and burned, and lasting damage was done to community cohesion in Handsworth. Other riots

[Mike Wood]

across the country that autumn, including the Broadwater Farm riot in London, showed similar violence and destruction.

Twenty-six years later, a series of riots, starting in Tottenham and spreading across much of London and then into other major cities, were a horrible reminder of just how fragile public order can be. The August 2011 riots left many vulnerable communities counting the cost of some of the worst and most destructive public disorder in a generation. The human and social cost was immeasurable, nowhere more so than in the senseless murder of Haroon Jahan, Shahzad Ali and Abdul Musavir, who were deliberately run down while trying to protect their community in the Winson Green area of Birmingham.

Here in Greater London we saw horrific images of the Reeves furniture store burning down. This family run business had been built up over years, but it was destroyed in minutes. The image was broadcast all over the world and it continues to haunt us. Elsewhere around the country, large cities experienced similar destruction, with businesses destroyed, property wrecked and dreams up in flames.

In the heat of the riots, many people were surprised to learn that, under current legislation, responsibility for compensating victims of riots lies entirely with local police forces. The legislation dates back to 1886 and is basically a consolidation of legislation going back to the 18th century, so the word "current" does not seem entirely appropriate. The system requires polices forces—the Metropolitan Police Authority, the common council of the City of London and, elsewhere in the country, police and crime commissioners—to pay out millions of pounds in riot compensation, much of it to large businesses and insurance companies, while lacking the flexibility to respond effectively and promptly to the needs of individuals and small businesses that need their payments, and need them quickly. Against a background of tight budget constraints, potentially limitless liability for police forces is unfair and unsustainable.

James Berry (Kingston and Surbiton) (Con): I thank my hon. Friend for promoting the Bill. If the police are to be held liable for the acts of third parties—of rioters—would it not be fairer for the victims to have to prove that the police were themselves at fault before compensation could be paid out of the public purse?

Mike Wood: I will respond to my hon. Friend's intervention in more detail later in my speech. Although I have some sympathy for that argument—the causes of riots can be extremely varied and in many cases they are not the direct result of police action or inaction—I think there are both principled and practical reasons to maintain the current principle of strict liability. One such practical reason is that, if someone is unable to afford insurance and has suffered losses during a riot, it is very unlikely that they would have the means to bring a court action to establish that the police had been negligent and thereby claim damages through the usual legal means.

Mr David Burrowes (Enfield, Southgate) (Con): My constituency was a victim of the riots in 2011, when there were huge disturbances on the streets of Enfield. For some businesses in my constituency and in Enfield North the problem was not just liability and who would pay, but the time it took to be paid. The delay was an ongoing victimisation of those businesses and their prospects of continuing. Will the Bill help to improve the decision-making process and lead to such businesses getting the money they deserve?

Mike Wood: A key purpose of the Bill is indeed to have a more effective, streamlined and clear mechanism or procedure to enable those businesses and individuals to get the compensation they need within the timeframe necessary to make a difference in getting their lives and businesses back on track.

In 2011, the coalition Government responded to the riots by agreeing to cover the costs incurred by the police in compensating homeowners and businesses under the Riot (Damages) Act 1886. That was one part of the package that the then Government announced in response to the scale of the destruction suffered in some of our major cities. I am sure that Members on both sides of the Chamber recognise the importance of the creation of a high street recovery fund immediately after those riots, which helped local communities to decide for themselves on measures, specific and relevant to their area, that would get their high streets back on their feet. However, we cannot necessarily rely on future Governments choosing to underwrite police force liabilities or investing additional moneys in rebuilding areas hit by riots.

Julian Knight (Solihull) (Con): This issue is not just about the riots of 2011; many other localised riots have led to very extensive and expensive bills for local police forces. For instance, the total bill for the rioting in Bradford in 2001 amounted to £450 million, even though it was a localised riot.

Mike Wood: I fully agree. In the region we both know best, the west midlands, there were the Handsworth riots in 1985, which I have already mentioned, and of course the riots in the same part of Birmingham in 1981 and 1991. Such localised riots have a huge impact on the local community, and cause huge cost to businesses and individuals directly affected.

We need to act now to build a new compensation system that works. As my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) said, that system needs to be fair to the people and businesses affected by riots and fair to the taxpayers who, ultimately, will always foot the bill.

In the wake of the 2011 riots, work was conducted by the independent Riots Communities and Victims Panel, which looked at both the root causes of the disturbances and the prevention of future riots. Other studies were conducted specifically to examine the response of the police. Although the Government have done a lot of valuable work on the causes and the immediate responses to the riots, now that we have had time to reflect on and learn from those terrible events, it is right and necessary to ensure that the current legislation is updated to make it fit for the 21st century and to enable the victims of riots to be adequately compensated.

Recognising criticisms of the limitations of the 1886 Act, the Home Office undertook an internal review, and my right hon. Friend the Home Secretary then commissioned

a full, independent review of the legislation. The reviewer, Neil Kinghan, spent months collecting evidence from riot victims, the police, insurers, loss adjusters and many others before publishing his conclusions. He made recommendations concerning a number of areas of the existing framework. Many of those recommendations are brought forward in the Bill.

Neil Kinghan accepted that there remains a need for legislation that provides for riot compensation to victims, but that the existing legislation is simply not good enough. Fiddling around the edges of the legislation would not be enough to make it work for the 21st century. We need to repeal the 1886 Act and replace it with new legislation that reflects the world as it is now, rather than the world as it was in the 1880s. The Bill seeks to make that change by updating the legislation and modernising the compensation system, making it fit for purpose in today's world.

This is not the first time that changes to the Riot (Damages) Act have been considered. Under the last Labour Government, there was a public consultation on full repeal of the Act, but in the end, no changes were made. I do not believe that simply repealing the 1886 Act is the answer. While there is a superficial attraction in removing the strict liability that police forces have for damage to property suffered during a riot, there is general acceptance that there are principled and practical reasons for its retention.

Neil Kinghan's review agreed that the first duty of the police is to maintain law and order. When that law and order breaks down, resulting in a riot, it is right for the police to be held to account and to pay appropriate compensation. On a practical level, strict liability provides simplicity for the victims of riots and a clear framework for the police. Requiring victims to demonstrate negligence or other direct fault would not be equitable in the circumstances. It would require evidence that is often extremely difficult to collect in the immediate aftermath of a riot and would inevitably lead to increased conflict between local police forces and the communities that are hit by rioting.

The 2011 riots underlined the importance of maintaining this historic protection for the public, as it provided a number of people with a vital means of support when they needed it most. It is right that people are provided with the financial means to repair, renew and recover so that they have the confidence to return to their roles at the heart of our communities.

The independent review found near consensus in favour of retaining the police's strict liability—a finding backed by the report of the London Assembly's budget and performance committee on the aftermath of the riots. It is right that we protect communities from such shattering losses by doing what we can to help them back on their feet. However, what cannot be right are the lengthy bureaucratic delays suffered by those who need our help, to which my hon. Friend the Member for Enfield, Southgate referred, and the idea that the country has a bottomless purse to draw from to pay for damage caused by criminals.

The Bill makes much-needed changes to address those concerns, while still supporting households and businesses affected by rioting. Although, as I have said, I accept the arguments for retaining the principle of police liability for riot damages, I do not accept that we can continue with limitless liability. Whether through police budgets or central Government, the public purse cannot be expected to pick up costs that are the reasonable responsibility of private insurance.

The Bill proposes to end the unlimited compensation afforded through the 1886 Act. Instead, it will set a cash cap, set at the appropriate level of £1 million, on each individual claim. The Government determined in their early review that if such a cap were in place in 2011, 99% of the claims made after the riots would have been compensated in full, but the limit would have saved the public purse tens of millions of pounds in compensation for the very largest claims.

As prudent homeowners, most people hold some form of insurance for their property. The same is true of most business owners. In the most recent cases, more than 80% of the compensation has been paid as reimbursement to insurance companies. Despite that, measures to cap compensation have been supported in principle by their largest representative body, the Association of British Insurers.

Antoinette Sandbach (Eddisbury) (Con): Clearly, property values will differ throughout the country, and many members of the public do not read the fine print in insurance documentation. What is to stop insurance companies excluding riot from their cover? If that does happen, what will happen to those who suffer losses greater than the ones mentioned in my hon. Friend's Bill?

Mike Wood: Of course we recognise the difference in property values around the country, but we have to accept that basic responsibility for buildings insurance, and indeed contents insurance, needs to be with private insurers. I would certainly hope that we can work together with the insurance industry to make sure that there is a fair response so that the premiums that most people believe they are paying to cover them for damage, however it is caused, really do cover them.

These new provisions are not just about saving money; they are also about improving and modernising the claims process. The short timescales in the old Act for submitting and evidencing a claim were not feasible for many potential claimants. The original 14-day period was extended to 42 days under the Government's emergency amendment for the 2011 riots. Those riots demonstrated that the period was not long enough in certain cases. Many homes and places of business were inaccessible because they were designated crime scenes. In a number of claims, full details could not be provided because of a dependency on external processes as seemingly unrelated as planning permission.

The Bill will allow regulations to be made to extend those periods. Initially, a claimant need only lodge notice of a claim 42 days after the incident. By lodging notice of a claim, they will then have another 90 days to gather the evidence to substantiate the quantity and nature of the losses. That means that riot victims can focus on their most immediate needs in the shortest term and worry about paperwork further down the line when they are in a better position to deal with it.

Regulations to the Bill will change the way that compensation is calculated from the old-for-old replacement payments system, based on the current value of property, as depreciated, to a new-for-old system to allow people in the majority of circumstances to replace their property in full. That will considerably ease the decision-making process.

Mr David Lammy (Tottenham) (Lab): Does the hon. Gentleman accept that the areas that experience riots are often the most deprived in our country? In those communities, increasingly, particularly in London—in the constituency of my hon. Friend the Member for Croydon North (Mr Reed), and certainly in mine—many constituents speak English as a second language. I can think of a constituent who had a heart attack after the riots. Forty-two days is still a very short time after experiencing shock of this kind.

Mike Wood: I recognise the right hon. Gentleman's point. It is important that alongside any new legislation and regulation we have the co-ordination at a community level to support the people he mentions, who, as he says, are often in our most vulnerable communities.

The basis for switching from old-for-old to new-for-old is one of basic fairness for riot victims. It cannot be fair for them to be expected to engage in extensive negotiations on the book value of a three-year-old dry cleaning machine, as was the case in one claim in 2011, and then to have to search for such a machine at the specified price just at the point when they are trying to rebuild their homes or their businesses. A new-for-old system is already used in most private insurance policies, and it would mean that victims could set about the important business of getting their lives, homes and businesses back on track.

Mr David Nuttall (Bury North) (Con): My hon. Friend is right to say that new-for-old replacement will be welcomed by businesses that are affected by a riot, but often the most worrying and biggest problem for such businesses is the consequential losses that arise from that destruction and loss of property. Will he explain why those losses will not be covered, and why they are expressly excluded?

Mike Wood: As my hon. Friend says, the Bill would explicitly restrict a police force's liability to direct losses, and it would exclude the consequential losses to which he refers. This is a question of fairness and affordability, because the potential impact on the public purse would be enormous should the riot compensation scheme be extended to cover full consequential losses.

Mr Nuttall: There is a cap, so any claims would be limited and caught by that cap. Bearing in mind that that exclusion exists, does my hon. Friend agree that it is extremely important that all businesses—especially small businesses—are made aware of the limitations of the Bill, and the need for them to take out insurance to cover otherwise uninsured losses?

Mike Wood: My hon. Friend makes an excellent point, and businesses need to do as he suggests. This is about what private insurance should reasonably cover. Although direct losses tend to be relatively easy to quantify, consequential and other indirect losses can be more difficult to quantify, and they cause much more difficulty for public authorities when assessing and paying for those claims.

Kevin Foster (Torbay) (Con): It has been interesting to listen to my hon. Friend's contribution so far. Does he agree that the limit is about finding a balance between what is legitimately covered by private insurance, and compensation for those who were caught up in a riot through no fault of their own? Does he also agree that not many people would have been aware of the Riot (Damages) Act 1886 until after the 2011 disturbances?

Mike Wood: My hon. Friend is right, and in conversations I have found that a surprising number of right hon. and hon. Members from across the House were similarly unaware that police forces bear those liabilities. We should be under no illusions that most members of the public are much better informed.

Let me return to the principle of switching to a new-for-old system. From the perspective of public finances, much of the additional cost of such a change can be expected to be offset through savings on spending on the loss adjusters needed to calculate second-hand values. It is much simpler and more efficient to assess the cost of a new replacement product, which is why so much of the insurance industry has moved to such a process.

Mr Steve Reed (Croydon North) (Lab): Was the hon. Gentleman referring to the case in Croydon North of Mr and Mrs Hassan? They had recently bought a dry cleaning business with old dry cleaning machines. It was burned to the ground, but because they were offered only like-for-like funding they could not re-establish their business or get their livelihood going again. They went into serious arrears and were threatened with the loss of their home because they could not pay the mortgage. Surely that is unacceptable and needs to change.

Mike Wood: The hon. Gentleman puts his constituents' case far better than I could, and he is absolutely right. New for old makes sense—it will save time and make the process simpler, fairer and less labour-intensive for local police bodies.

Mr Lammy: I am grateful to the hon. Gentleman for giving way again. His point about new for old is incredibly well made.

There are many small business owners in areas that have experienced riots. I think of my area in particular, which is unfortunately one of the few areas of the country to have experienced two riots in a generation. Those small businesses are under-insured because of the cost of insurance, which is because those areas have had riots. Unless we want such areas to be completely boarded up, like cities in the States such as Detroit, we ought to think carefully about consequential loss. We should not place further insurance burdens on the private sector. After all, the fact that a riot has occurred is not the fault of a business.

Mike Wood: Many insurance policies already have business disruption cover, and focusing on direct losses, with a fair cap of £1 million, will allow businesses or individuals to reclaim quickly the significant sums that they need to get back on track.

Julian Knight *rose—*

Mike Wood: I give way to my hon. Friend, who knows a lot more about this.

Julian Knight: Does my hon. Friend hope, as I do, that if the Bill moves forward today it will encourage the industry and the Association of British Insurers to engage further with business owners and make them

aware of such things as business disruption cover? In addition, they could make them aware of the Bill's provisions.

Mike Wood: That is precisely what I have been calling on the ABI and other insurance bodies to do leading up to today's debate.

I turn to the Bill's provisions on a riot claims bureau. It sets out that the Secretary of State may assume responsibility for managing riot compensation claims. That is appropriate if rioting spreads across more than one police force area, as it did in 2011. It may also be appropriate at the request of a local policing body, particularly in one of the smaller police force areas, should the volume of compensation claims prove challenging to manage and be beyond its capacity. It is not about taking away local policing bodies' financial autonomy. It is merely about providing capacity, consistency and additional oversight where necessary.

Mr Steve Reed: I am grateful to the hon. Gentleman for being so generous with his time. He mentions compensation being paid to victims. Is he aware that when local communities came together to raise and distribute funds to support businesses, families and individuals who had been financially affected by the riots, those funds were then deducted from the more official compensation payments? Does he agree that that was completely wrong and went against the intentions of people who generously donated to help their fellow citizens recover from the terrible circumstances in which they found themselves?

Mike Wood: I would certainly hope that money raised to support local communities would be used for that purpose. Of course, we would want to avoid double compensation, with damages being repaid twice so that people were not just put back in an equivalent position to before the riots but received additional payments on top of that. I do not think that that would be appropriate. I do think that after a riot money should be retained more at a community level and invested in rebuilding community cohesion.

The structure of a riot claims bureau would include, in its running and financial decision making, a role for a police and crime commissioner or equivalent, or their designated representative, as well as insurers and loss adjusters. The Bill would allow local policing bodies to place the day-to-day management of claims into the hands of experts in the loss-adjusting profession. That is clearly a better alternative to expecting police forces to retain such responsibility in-house. Companies already have the capacity available to manage major insurance-related incidents, as has been seen in their response to major weather-related events. Moving responsibility for the management of the process to those who understand it best would allow police and crime commissioners to utilise fully industry experts, while retaining full control of the financial decisions for which they are democratically accountable.

The Bill provides, for the first time, cover for some motor vehicles. Understandably, motor insurance and damage to motor vehicles was not considered in the 1886 Act. It is time, nearly 130 years later, to address that. Most insurance companies cover riot damage in comprehensive motor vehicle policies, the type held by the overwhelming majority of the country's motorists. The Bill would not seek to replace that coverage. The intention is to provide compensation for motorists not covered by comprehensive insurance. Where the vehicle is held in accordance with the law, it would be covered under the Bill: it would cover third-party claims that meet basic minimum legal requirements for insurance, or vehicles that are exempt from requirements for insurance.

Kevin Foster: My hon. Friend is being extremely generous in giving way. Does he agree that part of the reason for updating the legislation is to address its core purpose, which is to compensate those who might lose their business and equipment? In the modern era, as opposed to 1886, many people will have their tools and their business based in a motor vehicle.

Mike Wood: My hon. Friend is absolutely right. In fact, I wonder if he has read the next passage of my speech. The Bill is indeed about creating a safety net not only for vulnerable people but small businesses and the self-employed.

The purpose of the compensation scheme is not to pick up unlimited bills related to criminal activities, but to provide a vital safety net. We should recognise the serious implications for communities recovering from major public disorder. They include many of my constituents who work in Birmingham and were affected by the 2011 riots and earlier riots. It is the role of Government to protect the most vulnerable and ensure they are not unduly disadvantaged, whether at home or operating their businesses. It is not reasonable to expect a statutory compensation scheme backed by the taxpayer to provide the same coverage as insurance for which one pays considerable insurance premiums. Since 2011, the Government have done significant work on the causes and effects of the riots, but it would be wrong to hand over millions of pounds of public money to individuals and businesses that should have insured themselves against losses, and likewise, insurance companies that benefit from the premiums paid by millions of households every year should not expect the public purse to indemnify them against limitless losses.

The Bill would allow for a balance between the responsibility of the police to maintain order and the responsibility of the Government to protect the vulnerable and make adequate provision for insurable risks. It would retain the principle that the police are responsible for maintaining order, provide that local accountability remains in place and ensure that communities have the right mechanisms in place to recover quickly from serious disorder. It seeks to make an outdated 19th century Act relevant to the world in which we live, and to create a fairer, faster and more affordable system. I commend it to the House.

10.26 am

Dr Rupa Huq (Ealing Central and Acton) (Lab): Just as everyone from an earlier generation remembers where they were when JFK was assassinated, everyone from Ealing remembers where they were when riots hit our corner of west London, which is known, justifiably, as the queen of the suburbs. *[Interruption.]* It is, yes, and correctly so.

Footage of the shop front of Helen and Stuart Melville's Bang & Olufsen franchise on Bond Street in Ealing went viral. It showed rioters trying to smash the glass

[Dr Rupa Huq]

several times before giving up and scurrying off. Helen, who had had warning through the grapevine, told me recently that, at 5 pm, she was on her way back from Peppa Pig World, when she was given a tip-off that rumours were circulating on Facebook. That shows the modern nature of the 2011 riots. She could not believe it. She thought, "Why Ealing? Why us? I don't believe this." The same sentiment of incredulity also hit Ravi and Amrit Khurmy, of Ealing Green local store, who said that the word of mouth was that something might happen.

Both were small businesses into which the proprietors had sunk everything they had, and both, like Ealing itself, were rocked by the 2011 riots. Sadly, the initial prophecies became a reality. Both received a phone call from the company that maintained the alarm system saying, "Something's up. Can you come?", and both returned to scenes of destruction and carnage. Mr Melville said it was like something out of a zombie movie: "28days Days" comes to Ealing—is that the one?

Melanie Onn (Great Grimsby) (Lab): "28 Days Later".

Dr Huq: Sorry, I am not into zombie movies. It was Mr Melville's example. They found cars burning and other such things one does not expect to see in Ealing. Bang & Olufsen closed early, as a precautionary measure, but even so, the glass was shattered and the footage attracted many millions of views on YouTube. Ravi found his store in flames. The London fire brigade was in attendance for 24 hours. It was not just the shop; there were flats above as well.

The Bill attempts to redress some of the imbalances in the current legislation and revamp the compensation provisions, as the hon. Member for Dudley South (Mike Wood) described. The existing legislation is on the aged side, if that is not too much of an understatement. Very few statutes—very few anything—dating from 1886 continue completely unaltered today. It was a time when Queen Victoria was on the throne, and I think both Lord Salisbury and Gladstone had turns at being Prime Minister that year. A house dating from 1886 would at the very least have needed a bit of updating: a lick of paint, central heating and other mod cons. Riots in the UK are, thankfully, relatively rare, but the legal framework needs to be brought into the 21st century, as the hon. Member for Dudley South said.

A lot of people called the riots of four years ago the social media, high-tech riots. Some commentators even likened them to the contemporaneous Arab spring, which I think is going a bit far—the riots in Tunisia and those countries had a different cause. To pursue the parallel, if we were updating an 1886 house in line with what the legislation needs, we would need several coats of paint, not just a lick of paint, and total rewiring and heating, with a new boiler and radiators. The cumulative effect is that it becomes too much of a job to stick with the existing structure, so we do need new legislation. It makes perfect sense, and I congratulate the hon. Gentleman on bringing the Bill to the House today, because we need to bring that Victorian legislation kicking and screaming into the present day.

Ealing council's riot scrutiny panel report from 2012 stated that over 1,000 999 calls were made on 8 August 2011, many of which went unanswered. The report states that there was damage to 100 shops and businesses and that "one supermarket burnt down"—Ealing Green Local, which I referred to. It took 18 months to reopen. It now has half its original footprint and has been rebranded as a SPAR. When the riots happened, I was cowering indoors watching Twitter, but I remember going the next day and seeing an Edwardian turret from the roof structure of that building being lifted away by crane. It was quite surreal.

Ravi outlined what happened in the aftermath and told me what he would like to see in future riot compensation legislation. He said that the insurers had paid out, but that the process was painfully slow. He reckoned that his claim was accelerated somewhat because he knew someone on the inside. That should not be so: we should be a nation above corruption in those things. He pointed out—the hon. Member for Bury North (Mr Nuttall) also made this point—that consequential loss should be covered as well. Ravi said that, at present, compensation covers only fixtures and fittings, whereas he would like loss of earnings to be included.

Ravi's other point was that the role of the council was relatively limited. Ealing's report said:

> "Feedback on the Council was very positive—the payment of £1,200 was delivered promptly, and the named officer had been in frequent contact with advice and support."

That is what the council said.

Mr Steve Reed: If Ealing is the queen of the suburbs, Croydon is surely the king. There was another role for councils, in the receipt of riot recovery funds. Croydon council—run by the Conservatives at the time—received more than £20 million from the Greater London Authority, spent half of it in an area that was not affected by the riots and left the rest in a bank until the GLA tried to claim it back. Does my hon. Friend agree that there should be a bigger role for communities and victims in overseeing how such funding is spent, so that the worst affected areas can recover faster?

Dr Huq: My hon. Friend makes an excellent point. He anticipates what I was going to say about the Ealing example, but he is correct that these decisions should be taken at a local level.

Ravi said that the council was very good initially, but that

> "after 18 months their door was closed."

He also praised police actions after the event, but recognised that their role too was limited. His was a flat with a shop beneath, and both were subject to an arson attack, as in probably the most extreme case, which was in my hon. Friend's constituency—or was it in Croydon Central?—with the famous picture of the girl jumping out of the burning building.

Mr Steve Reed: That was at Reeves Corner in Croydon Central.

Dr Huq: He's not here, is he?

Mr Reed: No, Gavin Barwell is not here.

Dr Huq: Never mind. Not to worry.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. We cannot have conversations between Members. If the hon. Gentleman is intervening, that is absolutely fine, but we cannot have a running commentary between Members.

Dr Huq: Thank you, Madam Deputy Speaker. I will continue.

Now the place is half the size and split into two units, although the takings are thankfully back to normal. As my hon. Friend the Member for Croydon North said, further follow-up financial support should be considered at local government level. I have not found any measure proposing that in the Bill, although perhaps I have not looked at it closely enough. Ealing council's panel report said that larger sums were available in subsequent phases—£157,426 of allocations in total.

I accept that the problem with these sort of events is that they are unforeseeable. Nobody would have guessed on 7 August that this would have happened by 8 August: these things occur out of the blue. We are living in a time when local government budgets are being squeezed like never before, so I would be interested to hear how this Bill fits with local government provision. Ealing is losing £96 million in this parliamentary term.

Clause 8 sets the limits for damages at £1 million, as the hon. Member for Dudley South described. Disappointingly, however, subsection (2) states that the

"compensation must reflect only the loss directly resulting from the damage"

to the property and

"not…any consequential loss resulting from it."

That is disappointingly short of what Ravi and others said would have made a real difference. Perhaps in extreme cases such as these, an agreement could be reached with the insurers for a limited amount more. It need not all come as a burden to the public purse, as some allowance could be made for special cases.

Mike Wood: I certainly understand the hon. Lady's point on behalf of her constituent, but will she recognise that the independent reviewer specifically considered the issue and concluded that extending the scope of the Riot (Damages) Act 1886 to cover consequential losses would be a step too far currently and might leave the door open for far greater liabilities?

Dr Huq: I thank the hon. Gentleman for his intervention. I would feel happy if this issue were addressed to some limited extent. One would expect the Association of British Insurers to be on the side of the insurance industry, but it has found this aspect left wanting in this legislation—it could perhaps be explored at future stages.

David Morris (Morecambe and Lunesdale) (Con): I declare an interest as a commercial business owner and property owner. Most insurance companies insure the buildings and the contents separately. That may not be under discussion in this context, but normally claims for buildings damaged through rioting as separate from contents claims.

Dr Huq: I am talking about loss of earnings. The store owner, his wife and two kids had to live off their savings for 18 months. It is an extreme case: 18 months is not the norm, and riots are not the norm. We do not usually expect these occurrences. Let us hope they never happen again.

Helen from Bang & Olufsen remarked that the shop front had not been smashed. The video was shared so many times because people were saying that the rioters had been defeated, along the lines of "Hooray: victory against the rioters". In the end, she faced a bill of £10,000 for the glass splinters. High-end products were involved, as expensive televisions behind the glass were also damaged. Helen's point was that a cheque had to be written from the firm's business account, which caused a problem for cash flow afterwards. She said that she had sunk all her savings into the business, which had been open only for six years, and when it started there was a massive recession. The hit to cash flow to pay the glazier was huge. She suggested that a temporary loan would have been helpful in that instance. It was a frightening time for her: she had a little kid and a second one was on the way.

Mr Steve Reed: It was not just Reeves Corner that was affected. Nine businesses and 40 flats were destroyed in London road, west Croydon. Some of the businesses had to continue to pay mortgages or rents on properties that had been destroyed, which is enough to put businesses or individuals who are not wealthy in severe financial difficulty. Does my hon. Friend agree that riot compensation should apply to those who have suffered serious losses of that kind?

Dr Huq: That is an excellent point. There were the headline cases that got all the attention and went viral, but I believe that the proprietors of many small Asian shops in the London road have been waiting a long time to be compensated. I am not sure whether they have received any compensation yet. We may focus on the headline cases, but these are all tragic stories.

Simon Hoare (North Dorset) (Con): I understand that local authorities have discretion to deem domestic and commercial properties exempt from council tax and/or business rates in the event of, for instance, floods, fires or riots. Authorities are aware of those powers, and should use them to help people.

Dr Huq: I believe that the hon. Gentleman is right, but local authorities live in ever more straitened circumstances, and are trying to do more and more with less and less. I am surprised that the Bill does not mention that, and I should be interested to hear from the Minister what provision will be made for it in future legislation.

Helen also referred to

"just the amount of time it took and the amount of paperwork to submit."

I understand that the Bill would simplify such processes. Claims can, of course, be made online nowadays, although that was obviously not a possibility in 1886. The Kinghan report, to which the hon. Member for Dudley South referred earlier, recommended that the processes should be speeded up, observing that

"none of the police authorities had any experience of claims handling"

or of the demands,

"or the resources to meet it. They also had to cope with legislation written 125 years previously".

My right hon. Friend the Member for Tottenham (Mr Lammy) mentioned language difficulties. Those difficulties are compounded by the archaic language to be found in a lexicon that was used in 1886.

[Dr Huq]

The Ealing report commented that the public had been reassured by the fact that shops and businesses remained open—that it was business as usual. I remember passing a hairdresser's shop where all the glass had been blown out. Presumably the clients were being given blow dries "au naturel"! However, although that "business as usual" spirit was reassuring, we need to help businesses to get back on their feet more quickly.

The Bill contains much that is of merit. Clause 4 creates a new body, the riot claims bureau, which the Minister can direct to delegate decisions on claims that are taken to it by local police authorities. While the hon. Member for Dudley South was speaking, however, it occurred to me that if the police are to decide these matters in the first instance and are also to be liable, it is possible that those roles are too close to each other. The Association of British Insurers has referred to a direct conflict of interests, and, although it may have misunderstood the position, the police certainly should not be both judge and jury. The hon. Gentleman did say, however, that if a case straddled two separate police authorities, the Secretary of State would make the ultimate decision.

The highest bill was run up in London, where policing is devolved, and I believe that the Sony warehouse claim is still being contested. The London Assembly welcomed the Bill in its pre-general election version as recently as March; in 2012, it had produced a report entitled "Picking up the pieces", which recommended an overhaul of the current Victorian legislation.

The 1886 Act was instituted after the Trafalgar square riots, at a time when there was no provision for motor vehicles. I did a Google search to find out how many people in the country owned cars in 1886, and discovered that it was the year in which Benz trialled the first petrol engine, which had just been invented. The Act places the onus on the police, but as early as 9 August 2011, Rob Garnham, chair of the Association of Police Authorities, warned that

"in a context of cuts the public will see little sense in a shrinking police fund being diverted to pay for criminal damage."

Touch wood, God forbid, let us hope and pray the frightening disturbances of 2011 never happen again, but we do have a duty to learn from precedent and we need to bring the law on these subjects into the 21st century. We need to defend and protect small businesses. I am a child of small business—that is what my dad did. Small business owners sometimes take enormous risks: they sometimes do not eat to put food on the table for their kids and do not take holidays. They are not even SMEs; they are microbusinesses, and people such as Stuart and Helen, whom I described, and Ravi and Amrit need our support as they are key drivers of regional economies and pillars of our local communities.

It was not just the glass at the Bang & Olufsen franchise in Ealing that shattered; it was also the notion of suburban calm in our area. It shocked me and many other long-standing residents. This Bill is a good start, but there are still little bits and pieces that could be improved, such as the issues of leaving small businesses out of pocket when cash flow is difficult and the speed at which claims can be processed.

Riots in this country are, thankfully, pretty rare. I remember them in my lifetime two or three times. In 1981 it was Brixton, Toxteth and Moss Side; then in 2001 it was Bradford, Burnley and Oldham, where we had a very good result for the Labour party last night; and then in 2011 it was Ealing, where I was and where I always thought it would never happen, and other compass points in London—Croydon in the south, Tottenham in the north—and Manchester and Birmingham as well. So we do not know when they are going to happen, but there is a likelihood they will. There is a more than zero probability that in the next 130 years we will see some sort of urban, or suburban, disorder again, so we must never say never.

The 2011 riots were noteworthy for various reasons. Some of the commentary talked about the role and function of social media, and the issues of youth justice and the sentencing process were also raised. Some people saw the looting and violence as spelling the end of society as we know it, while others saw it as solidifying social bonds because of the "broom armies"—the community-led clean-ups that happened the day after. Some of the points that arose are addressed by the legislation: the motives of the perpetrators; whether it was a riot or not; whether it was a consumer orgy or a shopping spree. There is a new definition of riot in this Bill, which I am pleased to see is based on the Public Order Act 1986.

There are still bits and pieces that my residents and businesses would like to see addressed, and I could mention many more such businesses: the Red Lion pub, Santa Maria Pizza, the Hare and Tortoise, Visage Hair, and the Baby Boutique, whose proprietor went on television a lot in the heat of the moment blaming "feral youths". It has since closed its doors and is now an online business only. Most of the measures they would like to see are here, but one or two could be added at a later stage.

In conclusion, this Bill is a vast improvement on the existing provisions, but if history repeats itself and this little known piece of legislation does have to be dusted down in the next 129 years, we might as well get it right now. On the whole, however, I commend it, and the hon. Member for Dudley South (Mike Wood) for bringing it to the House today.

10.48 am

David Morris (Morecambe and Lunesdale) (Con): It is a great pleasure to follow the hon. Member for Ealing Central and Acton (Dr Huq). A lot of the points she made were very poignant, especially in this debate on how we amend legislation to compensate businesses or individuals, or even where there has been damage to a home, when there has been a riot.

I must make a declaration: I am a commercial property owner. I congratulate my colleague and friend, my hon. Friend the Member for Dudley South (Mike Wood), on bringing this Bill to the House, as it is timely that we look at what we should do now compared with 1886. I should make another declaration: I am the small business ambassador to the Government, and I want to touch on how this change in legislation would help the self-employed.

Let me consider the issue in hand. Currently, if there is a riot, the police must pay. I think that is absolutely bonkers, because we are expecting the police to work harder than ever in this time of austerity when budgets are capped. We must look sensibly at what the police's role is and what is expected of them, and at the responsibilities of society at large. We ask the police to

pay with the budgets they have, but those budgets are correctly defined by the Government and do not cover compensation for individuals' loss of property, whether that is business or private property.

It is timely that we stop that practice, but I am concerned by the sharp practices of insurance companies and what they might do in respect of insurance for businesses, small businesses and the self-employed. I was once a small businessman. In my experience, most insurance companies have policies that are broken up into various areas. I had to insure the glass of the building, the fabric of the building and loss of earnings, and the fixtures and fittings within the building. When riots occur—thankfully, we do not riot often in this country—there is no one-size-fits-all of damage. The hon. Lady mentioned a shop where there was no shop-front damage, but where inside there was total carnage. That shop was not covered. We should look at those aspects.

If we change the legislation so that insurance companies have to provide policies to business owners or individuals, the loss of earnings, fixtures and fittings, the fabric of the building and glass—the whole premises—should be covered under one clause when damage occurs. That is partly why businesses cannot get compensated quickly enough. The loss adjusters look into things separately and it takes them a long time to come to the right conclusion.

I know a lot of small businesses that utilise reconditioned machinery. It is a problem when an insurance company says, "We don't do new for old," and all the rest of it. In that limit of £1 million for the fabric of the building—I think I am correct in saying that—if everything comes under one banner when riot damage occurs and all insurances are grouped together, compensation should go up to a certain percentage of what the machinery would cost new. We could go round and round in circles—I saw it done many times when I was in business when people had robberies and machinery was damaged. They could not get compensated quickly enough through their insurance company.

Yes, a cap is welcome—I agree we should have caps—but if we go down that route, insurance companies should address responsibly the value of buildings. Most of my buildings were insured for up to £2 million. In that case, £1 million would not be adequate as a blanket cap, so there should be scope to allow insurance companies to value buildings and to say that a building must have a higher cap for insurance purposes.

However—I will say it as it is—I do not trust insurance companies. Insurance companies will try their damnedest to get out of paying in certain circumstances. Some insurance companies are more reputable than others. Hon. Members know them and hear of examples of sharp practices through our constituents. We must make it clear that, if there is to be a new law, the insurance companies cannot see it as a milch cow and start increasing the cost of policies. Businesses and the self-employed could be at the mercy of the insurance companies in conducting their livelihoods from thereon in.

The hon. Lady made a very interesting point. In 1886, we did not have cars or mobile businesses. Most self-employed people in this country today are mobile in that they do not operate from premises. Something should be incorporated in the Bill so that the self-employed—white van man, to coin a phrase and a category—are insured adequately. Most mobile businesses—those white or whatever colour vans—carry £50,000 in the back. That must be addressed. It should be pushed through to the insurance companies that, should there be a change in the law, mobile businesses affected by riots should be compensated by the same criteria as businesses with fixed fabric premises.

I do not want to take too much time in summing up. I am absolutely elated that the Bill is before the House again. I once more congratulate my hon. Friend. He has worked very hard on the Bill—he has hardly been out of his office these past few weeks because he has been putting so much work into it—and I commend him wholeheartedly. I hope that, after this grown-up debate, we see a change to our laws that encompasses what we do in our modern society.

10.55 am

Mr David Lammy (Tottenham) (Lab): I am grateful to have the opportunity to speak in the debate and congratulate the hon. Member for Dudley South (Mike Wood) on bringing the Bill to the House. I have reservations that I want to put before the House, but I agree with the general consensus that the 1886 Act is in serious need of review and change. It is right and appropriate that we have arrived at that point today.

The starting point for any discussion on riots is understanding that the basis of our policing in this country is consent—it is a source of great pride, and countries throughout the world look at policing in this country and try to learn from it. That is the idea that our police do not routinely carry guns and do not police by force. They police alongside the general public, and the general public act as citizens alongside them in the matter of policing. When that consent breaks down in a catastrophic way, we experience riots, which we do from time to time in our communities.

Because we all pay our taxes, and because we supply the uniforms and the badge and contribute to the training of our police officers, we rightly and appropriately say that, when the consent breaks down, people should be compensated for their loss—obviously, in our country, the vast majority of us do not participate in that consent breaking down and would not dream of participating in a riot. The detail of what that compensation should be is described in the 1886 Act.

It was a devastating four days for my constituency. It was a devastating moment. In constituencies such as Tottenham, we do not want another riot in a generation. Fortunately in Britain, we do not have areas that are so crippled by social unrest that the prospect of regeneration and a future looks bleak. Parts of the United States—I think of the city of Detroit—effectively went bankrupt when industry left, people fled, populations fell and buildings lay derelict for year after year. We do not want that in any community in this country, which is why the subject of the debate is so important.

When catastrophic riot occurs to a community, we must do all we can to put that community back together as quickly as possible, so that we do not see business and industry flee such that economic activity can never occur in that community again. I said this at the time of the 2011 riots: the vast majority of my constituents, including the vast majority of young people, were terrified in their homes. They did not participate in the riots. Indeed, because of the nature of the 24-hour media

[Mr David Lammy]

these days, with flames going up and the same scenes being repeated over and over again, it was a red rag to criminals all over London to participate in those riots.

I spent a lot of time with those small business owners on Tottenham High Road. I also spent some time with small business owners in communities such as Croydon. These were the most decent people, people who get up very early in the morning and finish work very late at night and who, frankly, do not rely on the state at all other than when they are ill. They were devastated by what had happened to them in the rioting over those four days.

For the first time, we saw riots in parts of London—Clapham, Ealing, in the constituency of my hon. Friend the Member for Ealing Central and Acton (Dr Huq), and Enfield—in which we might not previously have thought we would see them. Somehow, this was a moment in time when we needed to take stock and to ensure that the arrangements were right not only for those individuals who lost their businesses but for those who lost their homes. I pay tribute to the men and women of my constituency who, the morning after the riots, standing only in their pyjamas, holding their children, had had their homes burnt to the ground. At the time, promises were made. A riot was declared, and it is appropriate that we return to the circumstances in which a riot is declared as that is covered in the Bill. The assumption is that that decision will be made by the police.

The Government then said, quite rightly, tough things about those who had rioted and said to the victims, "We will compensate you. We will put you back to where you were." That was said by the Prime Minister, by the Mayor of London and by other city leaders across the country. Sometimes, when we see a terrible event, usually in a country a long way from here—an earthquake, a tsunami, a flood, a terrible and horrific natural event that disrupts lives and causes damage—we can go to a bank and contribute a little bit of money towards a relief fund. One gets the sense that the whole world combines so that people affected by the event can be brought back to normal. Why, then, did small business owners up and down the country find that three months, four months, six months, a year, two years or three years after the events of 2011 they still had not been compensated? I can think of one business in Tottenham that still has not been compensated.

It was a shocking example of bureaucracy out of control. The performance was patchy across different police forces, and patchy in partnership with the insurance industry. I was very critical of the insurance industry at the time, and the insensitivity of loss adjusters was extraordinary. People were weeping because of the hurdles they were being put through and how they were made to feel as though the rioting was somehow their fault. I must put these comments in the strongest terms because if I had some of those small business owners standing by my side they would expect me to say this. It was not a pretty sight. They said to me time and time again that if their business had been caught up in a tsunami in Thailand, they would have been better treated. They have said to me: "This was no fault of mine. I pay my taxes, I do not rely on the state, but my business is gone, I have had a heart attack. I can't eat. I keep seeing flashes of the fire. Everything has been destroyed and a year later I have nothing." Time and time again those were the stories we heard across the country.

Mike Wood: I strongly agree with what the right hon. Gentleman is saying, but does he recognise that the key part of this Bill, putting the riot claims bureau on a statutory footing, will address exactly the kind of issues that he identifies, such as the unnecessary and unacceptable delays in getting the money that is needed to the people who are trying to rebuild their lives and their businesses?

Mr Lammy: The hon. Gentleman is right, of course. The riot claims bureau will be a step forward, but let us be absolutely clear about it. It sounds good, does it not, the riot claims bureau? We get the sense of bureaucrats hard at work somewhere in the Home Office as we speak. No one is staffing the riot claims bureau as a result of the Bill; I suspect it will be brought together rapidly in the event of a riot.

It is important to ensure that the expertise and knowledge are present, that there have been practice exercises and that there is understanding of the sorts of communities that experience such things. There must be a sense that we must put small businesses first on these occasions, because often the big businesses can defend themselves. Members might remember from the riots the atrocious behaviour of the head of JD Sports, who said that it was great that people were breaking down windows to grab trainers because it showed how important his products were. I would suggest that that chief executive can defend himself, but he was in a very different position from those on the high street.

I pay tribute to Sir Bill Castell, chair of the Wellcome Trust and one of the great industrialists of our country. He was chair of the High Street Fund, which did so much to support small businesses across the country. I will never forget Sir Bill ringing me up just a day after the riots, determined to make a difference and to bring big business together to support small business and to bring those funds to individuals. I will also not forget Bill's consternation that months later funds had not been paid out under the Riot (Damages) Act and that when those funds were paid out, despite the fact that the High Street Fund was a charity relying on contributions from big business, they were discounted against that money. I say to the hon. Member for Dudley South, will we see that happen again?

In these circumstances, when there is philanthropy and charity and when human beings come on side and say that they will support somebody, that should not be discounted against the obligations of the state. We should not be saying that it is for charity to pick up the tab and reduce the burden that we all face as taxpayers when consents break down in this way. I know that Sir Bill felt very strongly about that and I hope that we might get an answer about what will happen in the future in this regard.

I come back to the point about the expertise. Will the bureau have the expertise? How many people will staff it? How will it be brought together? How will it be different from the patchy performance we have seen? For example, I understand that the police in Manchester performed quickly and were able to pay out quickly, although they had a smaller group of businesses involved, whereas the Met were woefully slow in paying out. That led to the then Leader of the Opposition coming to the Dispatch Box during Prime Minister's questions and asking when businesses would receive their funds. He did that well over a year after the riots—the Met's

performance was that poor. It is important to understand what the bureau will look like and to make sure that it is not just a fancy name, but will work effectively.

I come to the role of loss adjusters. The hon. Gentleman is right that new-for-old compensation will mitigate some of the insensitivity that so many business owners said they experienced as they were quizzed about the age of their products, whether they were sure those products were in the premises, where they were in the building, why they could not get into the building, why their English was not good enough to fill in a form, and so on. I hope new for old will lead to a better system.

In these circumstances there should be a loss of earnings component. If we were able to pay out relatively quickly, the loss of earnings component would be reduced, which was not the case last time round when the process was so poorly handled. Many of us may not be here for the next set of riots in our country. I hope we are not here—I hope it is that far away—but if the claims process goes on for a long time, there is a terrible loss of earnings for small businesses. I can think of a wonderful mechanic's business that was burned to the ground. It sat next to the iconic Union building in Tottenham that was also burned to the ground. I think of the wonderful Cypriot owner. He came to see me, devastated by the flooding and destruction of his family business. The road was shut off, the building next to it had been burned down and it was months before he could get into his business premises. He had a heart attack. He was laid low at home, panicking about the pressure of finance and money. I will remember that man and his family for the rest of my life. So I believe that loss of earnings should be a component of the compensation. Consequential earnings are also fundamental when the state breaks down in this way.

The cap of £1 million is right and totally understandable. It is important, though, that that cap is sufficiently high to compensate the vast majority of businesses. I think that that probably is the case, but I would like reassurance that it is index-linked and will rise. It is £1 million today, but what will it be in 50 years or 100 years? In areas of the country that are fragile, where there is deprivation or pockets of deprivation, we must not scare big business away because it fears that it would not be adequately compensated in the event of a riot. We must not do what has happened in other parts of the world, particularly the United States. It is important that private insurance is available for larger businesses for which, if they were to suffer a loss, it would be substantially more than £1 million.

It is easy to see how a relatively small business with stock could lose more than £1 million over several months in the circumstances. I am a little bit nervous about what the effect of the cap may be and whether it will harm regeneration and the prospect of those communities moving forward towards prosperity through regeneration. On the whole, people do not tend to riot if they have a job and a mortgage, but in parts of the country that cannot always be guaranteed, so it is important that big business is there, small business is supported, the £1 million cap is not too low, and that we are sure the insurance industry will provide support beyond that £1 million.

We need to be clear that under-insurance is common in the kind of communities that saw rioting in 2011 and communities where riots have historically taken place in this country. Because of the delicate margins with which businesses operate in such communities, there is often under-insurance. It was the people who were under-insured who paid the heaviest price last time round. They were able to claim from the High Street Fund, but that was discounted down the line. They were the ones who found it hardest to get payments under the Riot (Damages) Act in good time.

The 42 days feels like a long period. People know the riot has happened to them. They must know that there is some means of compensation. People say that on the news, but it does not reach them because they are in shock, because everything they own has been burned to the ground, and they have no paperwork, they have no ID, they do not know who they are. This is not just about shops; it is about homes as well. I am worried about the 42-day period. I can think of many constituents who would not meet that.

The Minister for Immigration (James Brokenshire): It might help the right hon. Gentleman to know that if the Bill were to pass, that would be dealt with in regulations. Our intention is that the 42 days would be a notification period—a time for people to give notice that they were going to make a claim—but there would a further 90-day period to quantify that claim and provide further details. I hope I can offer him some reassurance that we are thinking carefully about lessons from 2011 and about time periods that will allow people to gather paperwork and quantify the amounts that they are claiming for.

Mr Lammy: I am grateful for that indication. My hon. Friend the Member for West Ham (Lyn Brown) on the Opposition Front Bench also has the kind of constituency where I am sure she would recognise that, in our multicultural London, many businesses are run by people who speak English as a second language and who, in times of riots, are a long way from the state. That is because they do not rely on the state very much at all. Even notifying their intention to make a claim is not something that they would understand. Many of my constituents did not understand that they could make a claim. They simply sat with their head in their hands, under-insured and not aware that the state would support them in this way. They got to the understanding that they could make a claim because word about the High Street Fund spread quickly among the businesses alongside theirs. That was how they started to realise that they, too, could make a claim. I am grateful that the Minister has indicated some flexibility on that, but I wanted to stress my concerns that people might be caught out of the system.

I broadly welcome what has been said today, with some reservations about the nature of the bureau and the expertise that it will need, and real concern that we should understand the sort of areas that can experience riots in our country and why it is important that, as a nation, we support those communities.

There is a potential conflict between the Met declaring a riot and the fact that the budget comes from the declarer. I hope that the Minister will say a little more about the circumstances in which a riot is declared, because in 2011 the situation was so patently clear that it would have been very hard for the Met not to declare a riot, but that is not always the case. I remember just a few hours into the rioting the former Member for Holborn and St Pancras said to me, "Watch and see if it

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actually declares this to be a riot." I would therefore like some reassurance about the circumstances in which a riot is declared, because that could be a source of contention.

When the London Assembly looked into the 2011 riots, it came to the view that the police were handling the situation so badly that the money ought to be in the local authority's pot. There is some merit in that, because local authorities are much closer to local businesses and can liaise very intently with Government. The money is coming from the Treasury anyway—let us be clear about that—but how it works within Government is the big question. I had sympathy with the London Assembly's view, although I think that it is important that the police understand that consent must not break down and that, if it does, it comes from their budget stream. There is a discussion to be had about that potential conflict. The Bill is settled on the money coming from the police. It is therefore important to understand the moment at which a riot is declared and how that decision is reached.

There was a sense in those early months that the Met was losing money as a consequence of having to give money out—that there was no extra money from the Treasury. We need our most deprived communities to be policed; we do not want all the money available to go to compensation. That is a complexity in the Bill that I think requires further explanation.

11.22 am

Kevin Foster (Torbay) (Con): It is a pleasure to follow the right hon. Member for Tottenham (Mr Lammy), particularly given his wide experience, his knowledge of the current legislation and the many concerns he has highlighted about it.

It is worth considering just how ancient the current legislation is. In 1886 Queen Victoria was on the throne, the Severn railway tunnel had just opened and, as the hon. Member for Ealing Central and Acton (Dr Huq) mentioned, Mercedes-Benz was experimenting with the first petrol engine, never mind thinking that someday there would be millions of them on the roads. There were also riots that year: one in west London and a couple in Northern Ireland, as we now know it, over proposed legislation for Irish Home Rule. It is also interesting to read the language of the 1886 Act. It refers to

"persons riotously and tumultuously assembled".

I wonder whether many people might think that I could make a claim if my phone was damaged during Prime Minister's questions on a Wednesday.

It is clear that the current legislation has come to the end of the line and desperately needs an overhaul. We all hope that riots do not happen and that order is kept, but it would be unrealistic to believe that there will not be another incident in the next 20 or 30 years that requires modern riot damages legislation. As several Members have noted in interventions, the age of the current legislation means that it is no longer fit for the modern age. For example, many small businesses depend on a van or mobile equipment. Even if they were compensated for damage to a shop or to putative premises, the loss of a van or vehicle would cause far more damage.

David Morris: What struck me when I was self-employed is the fact that rioting, terrorism and even political activity—that could cover what we do in this Chamber—are excluded in certain forms of insurance for commercial properties, especially for the self-employed. Does my hon. Friend agree that that should also be considered?

Kevin Foster: My hon. Friend makes a strong point. That partly reflects the change of era. There was terrorism in the 1880s, but its impact was very different from what a Semtex explosion would do today. The nature of terrorism has changed so greatly, as we saw in the recent attacks in Paris, with the use of automatic battlefield weaponry. In 1886, an automatic weapon was a Gatling gun, which needed a crew to operate it. Sadly, today's automatic weapons can be carried quite easily. It is therefore absolutely right that we update the legislation. We should give the Bill a Second Reading and then in Committee look in detail at how we can make it suitable for the modern era. On political activity, for example, were the recent events at the Cereal Killer Cafe a disturbance or a riot? My hon. Friend sums up the issues perfectly. In Committee we will look in detail at where we should draw the lines, using modern language, not language that was suitable in the late 19th century.

It is also worth dwelling on the fact that the current legislation—it seems laughable to describe something from the 1880s as current—means that there is strict liability on the police. As has been mentioned, the areas that have been affected by rioting tend to be those areas that rely most on their local police force. If the local police force ends up picking up the bill for a very large amount of riot compensation, ultimately that is likely to be paid for either by putting additional taxes on communities that are least likely to be able to afford them, or by cutting police provision, and that would be in an area that had just suffered rioting and might therefore require more police provision. I respect the Government's intervention after 2011 to prevent that from happening, but that is not guaranteed for the future. That is another reason why it is vital to update the legislation so that it is not just one community taking the risk.

As we heard in an earlier speech, some police forces could be bankrupted by a large-scale riot that affected particular commercial interests in their area. That is just not a sensible position to be in. That could also act as a disincentive to have economic activity in the local area. If we know that for some reason there might be a public order disturbance—even a once-in-100-years scenario—and that a particular economic interest could be damaged or destroyed, we would know that ultimately we might end up copping the whole bill for compensation. A review of that situation is long overdue.

Therefore, I also think that it is right to include the £1 million cap. Statistics from the House of Commons Library suggest that about 99% of claims made in 2011 would be covered under these proposals. To be clear, this will not be denying justice to thousands of interests; it is about having fairness between the large interests that are the most able to protect themselves and the smaller interests that find it the most difficult.

Mike Wood: Not only would 99% of the claims that were paid following the 2011 riots have been unaffected by the £1 million cap, but over 80% of the claims paid in 2011 paid for insured claims, so that money was effectively going straight to the insurance companies.

Kevin Foster: I thank my hon. Friend for that intervention. As he says, the result is that a lot ends up going to the insurance companies, although I think that we will need to consider carefully the impact of any change, because, as my hon. Friend the Member for Morecambe and Lunesdale (David Morris) and the right hon. Member for Tottenham have pointed out, ultimately insurance is based on the premiums paid by people, so there is a balance to be struck. If the risks to insurers increase and the amount they have to pay out increases, much of that will likely be recovered through increased premiums. That is why we will need a good discussion about that in Committee. *[Interruption.]* I see the hon. Member for West Ham (Lyn Brown) nodding. It makes sense to update the legislation.

I was particularly struck by an intervention by the hon. Member for Croydon North (Mr Reed) on my hon. Friend the Member for Dudley South (Mike Wood). He said that people who had tried to help out their neighbours with a charity collection found that they had probably ended up helping out those responsible for paying compensation. The Bill Committee should look at that. People who give money and assistance voluntarily and out of the goodness of their hearts would not want to think that they were, in effect, saving money for the person who was supposed to pay compensation. They are de minimis amounts, but the details should certainly be looked at in Committee.

On limits placed on compensation, it is right to discuss the role of the taxpayer in protecting people against the breakdown of public order and the legitimate role of private insurance. There are other crimes whereby, if someone is not insured, they will not be compensated for their losses. Nobody chooses for their shop or premises to be affected by a riot, or to have their home burgled or for someone to steal large amounts of money from them. Nobody chooses for someone to commit arson and set fire to their business, potentially causing huge amounts of losses and, in some cases, putting them out of business. It is important that we look at the traditional approach taken to riots, but we must also balance that with what is appropriate for private insurance, particularly with regard to consequential loss. It is difficult to know where to draw the line, which is why it makes eminent sense to have a more modern definition.

The current time limit is also a subject of debate. It has been proposed that there should be a 42-day limit during which people could make an initial claim. As I said in an intervention, I suspect that not many people, including virtually everyone in this House, were aware of the impact of the Riot (Damages) Act 1886 until after the 2011 riots, which brought the issue suddenly to the fore. It would probably be much easier for various communities to understand modern legislation. I was reassured to hear the Minister say in an intervention that, under the 42-day limit, people could simply say, "I am likely to submit a full claim."

James Brokenshire *indicated assent.*

Kevin Foster: The Minister nods. It makes sense that people should not have to get absolutely everything together and that they would then have a further 90 days to make the full claim. That could be explored further in Committee, but it will give anyone affected by a riot, who will clearly be going through emotional distress and experiencing financial problems, the opportunity to flag up their claim and then submit the detail. That is far fairer than the current situation. If we do not agree to give the Bill a Second Reading, we must remember that we will end up not in a better position, but with that laid out in 1886, which has made it extremely hard for many people who are not conversant with the financial system. Unlike larger businesses, many smaller businesses do not have an accounts department to file a claim for the compensation they are due. That is another good reason to support the Bill.

On the provision on the replacement of property, it is bizarre to argue in favour of old for old. As my hon. Friend the Member for Dudley South touched on in his introduction, that means that people have to find something that matches what they have lost. It is unlikely, particularly in the aftermath of a riot, that they are going to find a five-year-old piece of equipment of exactly the same make and in exactly the same condition as that which has been lost. That is why insurance has changed from an old-for-old and like-for-like approach, as was the case in the Victorian era, to allowing people practically to replace an item.

On the limitation of damages, I suspect that many businesses that get same-for-same compensation end up using consequential loss compensation to find the piece of equipment they need to replace the item for which they are being compensated. Businesses in more deprived communities are less likely to have the most modern, advanced and expensive equipment, so they spend a lot of time trying to find a new piece of kit, whereas a large business can bring in replacement equipment from elsewhere as part of its existing renewal process. The proposed reform is eminently sensible. It will put smaller businesses in the same position as their wealthy counterparts. They will be able to buy a replacement and avail themselves of the compensation at a later date. Many Members have indicated how important that is and I think it is the most sensible change among a raft of very sensible changes proposed by the Bill.

It is also appropriate to introduce a structure to decide what constitutes a riot. I also agree with the proposal to transfer claims nationally if more than one area is affected or there is a particularly significant riot. Clearly, the Committee will discuss the detail—it is not a matter for the Second Reading debate—but the proposed provisions make eminent sense. I look forward to them being fleshed out in more detail in Committee.

It has been a pleasure to speak in this debate and to have heard some of the other comments that have been made. I thank my hon. Friend in particular for the work he has done in promoting the Bill. We should give it a Second Reading so that we can have riot damages legislation that is fit for the 21st century, not the needs of the 19th century.

11.36 am

Julian Knight (Solihull) (Con): It is a great pleasure to follow my hon. Friend the Member for Torbay (Kevin Foster), and I congratulate my hon. Friend the Member for Dudley South (Mike Wood), who is the proud son of a west midlands police officer. I know from my dealings with him on matters to do with West Midlands police and fairer funding that he is a strong advocate for law and order and justice in the west midlands.

[Julian Knight]

I commend and support the Bill. The right hon. Member for Tottenham (Mr Lammy), who is no longer in the Chamber, made a powerful speech in the shadow of the 2011 riots, which were obviously a great shock. What started as a local, limited protest burst into rank criminality. Ordinary individuals going about their daily lives found themselves embroiled in terror, violence and damage to property on an unprecedented scale in my lifetime. Even in daylight hours, ordinary people were being abused by feral elements in our society.

At the time, the police cautiously and correctly went about extinguishing those four days of violence in our society. Following on from that, the Prime Minister made many telling remarks, including that we would hunt down those responsible and bring them to justice. That is exactly what happened. I was pleased that the judiciary listened to the public voice on that occasion and handed out some exemplary sentences to those who had rioted. There was much talk in the newspapers about people being sent to prison for stealing relatively small items such as bottles of water, but it was the aggravated nature of the criminality that counted in this respect. Our authorities did their job and correctly followed through on what they had promised. The only area where there were problems—this has been mentioned by many hon. Members—related to compensation and delays to compensation. One of the main reasons for that was that they were acting under the auspices of antiquated and outdated legislation.

The Bill, which I hope will proceed to the Committee stage, correctly defines "riot". It gives it a much more modern, telling and understandable definition. It tidies up much of the antiquated language used in the late 19th century. As the right hon. Member for Tottenham mentioned, it is difficult for people who do not have English as their first language to understand what constitutes a riot and to apply for compensation under the 1886 Act.

Kevin Foster: I am sure my hon. Friend would agree that many people for whom English is their first language would find it difficult to understand the definitions in the 1886 Act.

Julian Knight: English is my first language, and I, too, find it very difficult to understand fully the wording of the Act. That is not the only reason, but it is another reason why we need this update. Let us not forget that the Bill comes after very extensive, independent reviews, such as the Kinghan review. I welcome the fact that there is a lot of thought and consideration behind the Bill. We can see that in the careful way that many of its measures have been drafted and in the way it has been promoted by my hon. Friend the Member for Dudley South, who has worked incredibly hard on it.

My hon. Friend the Member for Torbay focused extensively on the provision of new for old, and I completely agree with him. As someone who worked on a range of financial matters, particularly personal finance, for the best part of a decade and a half, I must say that I know of no insurance policy that would replace items on an old for old basis. That almost disappeared 20 or 30 years ago, so to continue to insist that an item is replaced by one of a similar age is, frankly, ridiculous and completely out of kilter with modern society and modern insurance practices. The provision of new for old will give greater clarity and certainty for all those affected by riot, including small businesses.

The cap of £1 million per claim is eminently sensible. As I understand it, if there is a claim of £1 million for a building, there may be a separate claim by another individual for the loss of its fabric and other elements. That aspect takes good account of rising modern property prices. The advent of a riot claims bureau is also welcome. I want to know a bit more detail about exactly how it will work, but I am sure that that, like many other elements of the Bill, will be examined in Committee.

The Bill reflects the reality of modern insurance patterns not only in the provision of new for old, but, frankly, in recognising the existence of the motor car, which did not exist in 1886. I believe it does not make provision for third-party cover. As someone who has written about insurance and other financial matters, I know that third-party car insurance is almost extinct. In fact, if someone applies for a quote on a website, they will almost invariably find that car insurers' quotations are higher for third-party cover than for fully comprehensive cover. To be honest, car insurers think someone taking out third-party cover is a bad insurance risk per se, so they are unlikely to write the business. It is good that the Bill covers the modern car, as well as tools and other items that may be left in vehicles overnight.

The Bill will allow for compensation to be paid more quickly, which we all desire. The proof of the pudding will of course be in the eating, but as my hon. Friend the Member for Torbay said, if the Bill does not go into Committee, we will simply be left with the 1886 Act and we already know how it works—or does not work—in relation to compensation. I do not agree with the idea that legislation should be introduced just because something must be done, but the fact that the Bill has already been considered extensively by an independent review reassures me that such matters will be looked at further.

I share some of the concerns expressed by the right hon. Member for Tottenham about the 42-day limit, so I welcome the Minister's comments. I look forward to seeing how that plays out in Committee in catering for those who, as the right hon. Gentleman said, may be suffering a great deal of shock, may not have English as their first language and may need a gentler approach to time limits and more understanding in relation to time barring.

My hon. Friend the Member for Torbay asked whether the Bill would lead to increased premiums. Most claims will be paid out up to the £1 million cap, but, knowing the insurance market, I genuinely believe that the effect on premiums would be very marginal. Home insurance is in fact a very profitable business, unlike—strangely enough—car insurance. In the past 20 years, the car insurance industry has made a profit from writing its policies on only four occasions. Home insurance is generally quite a cash cow—a Steady Eddie, as it were—for the insurance industry. Let us not forget that there are moves ahead to help out on insurance premiums, such as by clamping down on the compensation culture and the no win, no fee blight in our society. Looking at it in the round, the effect of the Bill will be very marginal and will not be felt to the degree that some people fear.

Some legislation is brought forward almost because it is said that something has to be done and this feels as if we are doing something—I always vehemently oppose

that aspect of lawmaking—but the Bill advances and upgrades the law, makes it more relevant to our society and sets us on a new footing so that if such an awful eventuality happens again, we can, I hope, respond more quickly and in a better manner.

11.47 am

Mr David Nuttall (Bury North) (Con): I draw the House's attention to my entry in the Register of Members' Financial Interests. I hope that none of the properties I own is ever affected by a riot, but that is a theoretical possibility.

I rise to speak briefly in support of the Bill. I congratulate my hon. Friend the Member for Dudley South (Mike Wood) on introducing it this morning. It is a pleasure to debate a Bill that does not seek to add further cumbersome regulations or which creates more problems than it seeks to solve.

We have heard a lot about what happened in London in 2011, but, as the right hon. Member for Tottenham (Mr Lammy) mentioned, Manchester and Salford were also affected by riots in the summer of 2011. In August 2012, it was reported that Greater Manchester police had paid out £442,000 for uninsured claims and £584,000 for insured claims under the Riot (Damages) Act 1886. It was a very big story locally. The right hon. Gentleman mentioned JD Sports, which has its headquarters in the borough of Bury. It was one of the companies affected when its store in Manchester was looted.

As hon. Members have said, the riots demonstrated the need to look again at the 1886 Act and to update what is widely accepted to be archaic and out-of-date legislation. While updating it, however, we will still maintain the principle that as the police are responsible for the maintenance of law and order, they should be liable if law and order breaks down and a riot breaks out. The Kinghan review, which was set up to look into how the 1886 Act could be improved, decided that maintaining such a statutory principle was the best way forward, but we could have provided for these losses to be dealt with as losses for uninsured motorists are dealt with through the Motor Insurers Bureau. I agree that we should maintain the existing principle from 1886.

The legislation has to deal with the competing interests of taxpayers, whom the Government want to protect by restricting the amount that is paid out, and uninsured businesses and individuals, who need to be protected when they are affected by loss. It makes absolute sense in the 21st century that the legislation should cover vehicles.

I agree that there is a simplicity in having a cap on claims of £1 million, but the amount needs to be kept under review. We do not want to think in 40 or 50 years' time, "Oh dear, we should have reviewed that £1 million limit because it is woefully inadequate."

Mike Wood: To reassure my hon. Friend, there is provision in the Bill for the sum to be amended by regulation, without the need for primary legislation. The intention is very much for the £1 million to increase as appropriate.

Mr Nuttall: My hon. Friend is right that that ability is written into the Bill, but it requires the Government to take a proactive approach and make use of it.

Mr Lammy: On the very sensible point that the hon. Gentleman is making, is he worried, as I am, that the Government will recognise that £1 million is inadequate only after another riot? It is very unlikely that the Government would return to the limit between riots, because there would be no reason to do so.

Mr Nuttall: That is my concern. We need an assurance from the Minister that someone will look at the limit every few years because, as the right hon. Gentleman says, there is a danger that the legislation will be dusted down and looked at only after the event, as happened after the 2011 riots, when everybody realises that it is woefully out of date. A proactive approach is therefore needed.

Where I perhaps part company with the right hon. Gentleman is on whether the riot claims bureau should be a permanent body. Was he suggesting it should be?

Mr Lammy: No.

Mr Nuttall: No, he was not suggesting that. I would not have agreed with that. I do not think we could set up such a body and have it permanently in operation.

Mr Lammy: Given the infrequency of riots, it would be quite a nice job to have, because someone would not work very hard, would they?

Mr Nuttall: That is the point I am making. Thinking back to the Toxteth riots in the early '80s, they are mercifully infrequent.

In urban areas that are seen as most at risk, it would make sense to have a stand-alone leaflet available that could be distributed in the event of a riot, so that business owners and affected individuals could be given information simply and straightforwardly in the immediate aftermath to put their minds at ease. They would then know what they needed to do and that they needed to do it within 42 days, or whatever the limit was. They would be aware straight away of the need to take action. In this day and age, there could also be a permanent website after the Bill reaches the statute book, as I hope it will, that can be found easily by somebody who does a search on the internet.

Bob Stewart (Beckenham) (Con): I am certain that when the right hon. Member for Tottenham (Mr Lammy) went around all the destroyed buildings and spoke to the people whose livelihoods had been ruined, he told them, "This is what you've got to do." I entirely endorse the point that an aide memoire should be available immediately to people who wanted to help, particularly Members of Parliament. This is a situation where Members of Parliament can help out big time. When there is a riot, it affects us directly, and that goes straight the way through local government. MPs should be there in protection of their constituents. They should have an aide memoire in their pocket that says, "Sign there".

Mr Nuttall: I am grateful to my hon. Friend for his support on that point.

In conclusion, I congratulate again my hon. Friend the Member for Dudley South on introducing the Bill. He is absolutely right that the legislation should be updated and the archaic language replaced. It is one of

[Mr Nuttall]

the key requirements on us as legislators to produce legislation that can be understood not just by us, but by those who have to use it outside this place—in this case, by the police and members of the public who may be affected in the event of a riot. That is what the Bill seeks to do. I wish it well and hope it has a speedy passage through this House. *[Interruption.]*

11.56 am

Lyn Brown (West Ham) (Lab): Sorry, Madam Deputy Speaker; I was sat quite comfortably, waiting for the hon. Member for Bury North (Mr Nuttall) to perform his usual tour de force to the Chamber, and thought I had more time.

I congratulate the hon. Member for Dudley South (Mike Wood) on bringing the Bill before the House. I was saddened to hear that his popularity has declined. I hope that it does not spoil his Christmas. I was rather worried to hear the story about the rogue squirrel. As a city girl who has only just started to experience these creatures in her back garden, it has made me a little more wary of coming into contact with them.

The riots that blighted many of our cities and towns in August 2011 were a truly destructive event. More than 5,000 crimes were recorded in just a few days, five people lost their lives and it has been estimated that the material cost of the London riots alone was over half a billion pounds. That material cost has fallen on the public, local businesses, the police and the taxpayer during a period of harsh economic conditions.

As we have heard today, the existing legal framework for compensating the victims of riots has proven to be inadequate. It is therefore right that we consider carefully how the financial burden of any future riot events should be shouldered.

The House has heard that there is an established principle that the police are liable for damage incurred during riots. There is an implied contract between the public and the police: the public will respect the authority of the police and, in return, the police will secure law and order for the public. It has been contended that when riots break out and property is damaged, the police have failed to keep their end of the bargain and are therefore strictly liable for damages incurred.

As we have heard a number of times today, that principle is enforced through the Riot (Damages) Act 1886. It was perhaps inevitable that a 130-year-old piece of legislation did not prove to be up to the task of handling the aftermath of the 2011 riots, which were as widespread and destructive as any we have seen for a generation. The language of the Act, as Members have said, is archaic, defining riots as

"persons riotously and tumultuously assembled together".

That sounds like a decent football match.

Mr Lammy: Only West Ham.

Lyn Brown: That's when we're happy.

Mr Lammy: Which is not very often.

Lyn Brown: No, we are doing quite well.

The 1886 Act pays no consideration to what are now important questions for any legislation dealing with insurance and compensation. For understandable reasons, there is no mention of motor vehicles. There is no consideration of interim compensations for victims while claims are being processed or of the new-for-old replacement of damaged goods, and there are no powers for the police to delegate administering the compensation process to experts in legal claims. As a result, in 2014, three years after the 2011 riots, victims were still waiting for over £40 million of compensation to be paid out. This is an inordinately long wait for compensation. The existing legislation has therefore been shown to be not fit for purpose, and so the hon. Member for Dudley South is doing the House a favour today.

I pay tribute to my hon. Friend the Member for Croydon North (Mr Reed) for his work on this issue. His constituency was hit as hard by the 2011 riots as many others, and he has worked tirelessly highlighting the difficulty that locals have had in receiving the compensation that they should be entitled to. He used the Freedom of Information Act to show that three years after the riots, 133 victims in London had yet to receive a penny in compensation from the police. Just 16% of the requested compensation had been paid out at that point. These victims of rioting must feel badly let down considering that the Prime Minister had promised they would not be left out of pocket. Without his tireless work and that of my right hon. Friend the Member for Tottenham (Mr Lammy), I gently say that I doubt this Bill would have been before the House today.

To be fair to the Government, being even-handed on a Friday, they have recognised the problems that people have had in receiving compensation. They commissioned an independent review of existing legislation chaired by Neil Kinghan. The Kinghan review was published in September 2013, and it made a series of recommendations. It recommended that the principle that the police are strictly liable for damages incurred during riots ought to be maintained; that legislation ought to protect insurers so as not to deter people from taking out insurance policies, or to inflate the cost of insurance; and that payments to insurance firms should be limited to businesses insured with an annual turnover of less than £2 million. It suggested that legislation should allow the police to delegate the administering of claims to a body made up of insurance professionals rather than the police having to take on that complex administrative task themselves. A further important recommendation was that allowance be made for compensating at the cost of replacement goods—old for new—as is the case in most modern insurance practice. The review judged that new legislation replacing the 1886 Act would be necessary.

The Government ran a consultation exercise after the publication of the Kinghan review, and the Bill before us, as we have heard, has the support of the Government and takes up many of the review's recommendations. This includes a number of provisions that are uncontentious but nevertheless important, such as including cars within the scope of compensation and providing for interim payments. Given the clear need to update the legislation that governs riot compensation, we welcome this Bill and believe that it ought to move forward to Committee, where it can receive further scrutiny.

While we support the principle that the police ought to be strictly liable for damages incurred during the course of a riot, it is important that our police forces are not asked to promise a blank cheque. It is impossible for police forces to plan and budget for the possibility of having to compensate victims of riots without some understanding of the likely costs to be involved. This is particularly true when our police forces are still absorbing the 17,000 police officer cuts from the previous Parliament. It might be Friday but this is not politics-free.

To deal with this problem, the Kinghan review originally proposed that insurers would be able to claim only for businesses with an annual turnover lower than £2 million. The Bill instead places a £1 million cap on the total claim that can be made, and removes any reference to company turnover. The Association of British Insurers estimates that 99% of commercial property claims for material damage from the August 2011 riots would have been fully covered by this new £1 million limit. The Home Office makes similar estimates, and the impact assessment that accompanies the Bill suggests that just 19 of 1,988 impacted businesses would wish to claim over £1 million in the case of large-scale rioting. This appears to be a significant improvement on the turnover-based model suggested by Kinghan. According to the ABI, only 33% of commercial property claims for material damage during the August 2011 riots came from businesses with a turnover of less than £2 million. There were serious fears that the £2 million turnover limit would have therefore created a disincentive for large businesses to set up in areas that they would possibly consider to be susceptible to rioting, and that some businesses would be left unfairly out of pocket. These details need to be looked at very closely as the Bill moves through Committee, particularly as the £1 million limit represents a departure from the recommendations by the Kinghan review and may have an impact on insurance premiums. I want to ensure that the Government are taking seriously the competing interests of the insurance industry, businesses, the police, and the public finances.

Another area of concern that we will pursue in Committee is what constitutes a riot and who decides when a riot has taken place. At present, the Bill empowers police and crime commissioners to determine whether there has or has not been a riot, which they must do in accordance with the definition of a riot provided by the Public Order Act 1986. It is the budgets of police and crime commissioners that will ultimately be hurt if they do judge that there has been a riot, so we might, in effect, be allowing the police to mark their own homework. This was raised by Mark Shepherd of the ABI, who has called for

"a more independent determination of when a disturbance is a riot".

That might be appropriate given the quasi-judicial nature of the decision.

My final area of concern is that the Bill does not cover loss of trade for businesses, loss of rent for landlords, or the cost of alternative accommodation needed in the wake of a riot. These are all instances of what insurers call consequential loss. Many of those most severely impacted by the 2011 riots would therefore not have been be fully compensated through the provisions in this Bill. That is particularly true of businesses with small capital holdings who rely on trade that has been disrupted by rioting. This needs to be carefully looked at during the next stages of the legislative process so that we can provide the most equitable deal possible between the police and the community in the unwelcome event of future riots.

The current arrangements for dealing with compensation after riots is clearly inadequate, and a new framework is required. I look forward to going through the details of the Bill to make sure that we can have a system that commands the support of the public, business, and the police alike. That will mean looking carefully at the caps on compensation, the process of determining when a riot has taken place, and the clauses setting out which losses are, and which are not, eligible for compensation. We must make sure that we try to minimise the numbers of people who fall victims of future riots, as, unfortunately, so many did in 2011.

12.9 pm

The Minister for Immigration (James Brokenshire): I thank hon. Members from both sides of the House for an informative and passionate debate that has reflected the interests of their constituents on the issue of riot compensation. I particularly commend my hon. Friend the Member for Dudley South (Mike Wood) for his hard work, his approach in bringing the Bill before the House, and the way that he has sought to conduct this morning's debate. He has achieved consensus on the need to move forward and the need for change, and I know how hard that can be. He stated that as a new Member, he has become popular ever since he was successful in the ballot to introduce a private Member's Bill, but given how he has conducted himself thus far, I suspect that he will remain very popular in future, and I commend him for that.

I have listened to the speeches made during this debate, and there is no doubt that the 2011 riots remain fresh in the minds of many. As my hon. Friend said, it is important that we respond effectively and promptly to those whose lives have been wrecked as a consequence of the riots. I share his hope that this Bill will never be used, but it is right that we prepare for such eventualities and learn the lessons of the past to meet the potential challenges of the future. The Government acknowledge that payment of riot compensation in the aftermath of August 2011 was not as streamlined as it could have been, first because processes had to be put in place at short notice, and secondly because decision makers were required to work with a piece of legislation that is almost 130 years old.

We may not have "riotous" assembly in this House—we certainly do not—but we might have "tumultuous" assembly. The sense that that terminology may remain—and indeed was—relevant when claims were being considered after the August 2011 riots, underlines the need for us to improve and modernise the way that we approach the payment of compensation to individuals and businesses who experience losses or damage to property caused by riots. I therefore commend the hon. Members for Ealing Central and Acton (Dr Huq) and for West Ham (Lyn Brown), the right hon. Member for Tottenham (Mr Lammy), and my hon. Friends the Members for Torbay (Kevin Foster), for Solihull (Julian Knight), and for Bury North (Mr Nuttall), who broadly welcomed the need to move forward on this issue.

Mr Lammy: The Minister may recall the former Member for Croydon North, Malcolm Wicks, who is no longer with us. He made an important contribution to the Croydon community immediately after the riots.

James Brokenshire: The right hon. Gentleman is right to remember Malcolm Wicks, and the steps that he took in his community. That is reflected by the hon. Members who represent Croydon today and who are following through on that tradition of representing their constituents at what was an extraordinarily difficult time. That shows how we as Members of Parliament can respond and be community champions in seeking to provide aid and assistance to our constituents at times of significant trouble in their lives. The right hon. Gentleman is right to remember those who have served this House with dignity and honour in achieving that, and I underline what he has said.

We recognise that change is needed, and in keeping with the overall objective of modernising riot compensation arrangements, the Bill simplifies the definition of a riot that is to be used when determining claims. Currently, decision makers must consider the definition in the Riot (Damages) Act 1886, and the Public Order Act 1986 when determining whether individual claims should be considered as relating to a riot. The Bill would introduce such simplification, for which there is a clear need.

If the Bill is enacted, guidance will be produced to better inform decision makers about how to apply the right definition. That will help when dealing with more difficult scenarios, such as whether all members of a riotous group must have entered a building where damage occurred in order for it to meet the definition. There will always be claims that are likely not to qualify, and guidance must be included to enable decision makers to weed out opportunistic claims. We are clear about the need to provide further guidance, which we hope will assist with that.

Bob Stewart: Huge damage was done in areas such as Tottenham and Croydon, but in Beckenham just three businesses were damaged. The riot was not as big, but those affected suffered just as much. When we define a riot, we must be careful about the language we use so that those people can be included in compensation arrangements.

James Brokenshire: My hon. Friend rightly makes a point about the need for certainty and clarity, and that is precisely what the Bill provides. Clause 1(6) seeks to achieve that by reference to the 1986 Act, and it is right to provide the sense of certainty outlined by my hon. Friend. The right hon. Member for Tottenham and my hon. Friend the Member for Bury North mentioned the need to inform the public about this issue, and if the Bill is enacted we would produce guidance to inform the public about the process and entitlements in the Bill, and subsequent regulations.

There has been some debate about why the Bill seeks to set the cap at £1 million. Alternative proposals were considered, but I think my hon. Friend the Member for Dudley South has captured well the analysis that informed his thinking, which I know is based on research. Such a cap would have dealt with around 99% of claims made after the 2011 riots. We have also discussed the fact that the Bill does not provide cover for consequential loss. The independent reviewer thoroughly considered that issue when considering recommendations, but believed that that would be a step too far in a Government scheme. We agree with that analysis, particularly given the potential impact on the public purse, which is likely to run to tens of millions of pounds. The Bill is not intended as a catch-all, but it was right to raise the issue of its inter-relationship with insurance. This is intended as a safety net, not as an alternative to insurance provision.

We have touched on how the Bill would seek to cover motor vehicles—an issue that, as we have heard, could not have been captured by the original 1886 Act. Again, the cover is not intended to replace insurance, and any claims would be checked to ensure that the vehicle was maintained in full compliance with the law. My hon. Friend has struck the right balance in bringing forward those provisions.

The Bill would also make provision for a riot claims bureau. It is not intended for a bureau to be in place for every instance of rioting—for example, it would not be efficient to make such arrangements where a small-scale disturbance occurred that was perhaps confined to one force area. Experience has highlighted the approach that should be taken to allow for a speedier, more efficient and effective response. The Bill provides for that flexibility, as well as allowing for further regulation.

The right hon. Member for Tottenham talked about how the arrangements would differ from those in the past. If the Bill were to proceed, our approach would be to create regulations setting out the detail of the bureau. The Home Office has had discussions with the insurance industry, police and loss adjusters, and I anticipate that there would be a management board made up of relevant experts, overseeing contracted loss adjusters who would have the capability and capacity to respond quickly. Again, that reflects some of the lessons we have learned.

Mr Lammy: I am grateful for that reassurance. The management board sounds very sensible. There has been some suggestion from the Home Office that some of the expertise that existed following the Bradford and Oldham riots in 2001 has been lost. Might there be a mechanism to contact staff with previous experience of riots—or indeed of floods, after which similar issues come up—so that their expertise can be drawn on quickly?

James Brokenshire: The right hon. Gentleman makes an interesting and fair point. Should the Bill proceed, there will be an opportunity to reflect on such experience when we form the regulations that will set out the structure of the bureau. I hope that we will be able to learn the lessons not only from 2011 but from other times when compensation has been paid. The parallel that he draws with a flooding incident is important.

We believe that the structure of primary police liability, albeit that it was set out in 1886, remains valid. When the police fail to prevent the breakdown of law and order in such a way that a riot occurs, we judge that they should provide compensation to those who have suffered financial loss through no fault of their own. I have sympathy with the arguments that have been made about that strict liability approach, but the independent reviewer came to the same conclusion after much consideration and discussion with police and other stakeholders.

The Bill will bring much-needed reform by ensuring that after future riots, there will be modern, transparent and fair arrangements for individuals and businesses that have experienced losses through no fault of their own. Important points have been made today about payment arrangements, including points about charity payments by the hon. Member for Croydon North (Mr Reed) in an intervention and by the right hon. Member for

Tottenham and my hon. Friend the Member for Torbay in their speeches. It is our intention that charitable donations should not be deducted from compensation, but that formal aid such as that funded by local government should be. I think that clarity can be provided.

The hon. Member for Ealing Central and Acton talked about the police marking their own homework, and other Members developed that theme. We expect claims, other than those of relatively low value, to be subject to a loss adjustment-type process, as most insurance claims are. I also underline that clause 9 provides for a reviews and appeals mechanism, which gives an important assurance about how claims will be addressed.

My hon. Friend the Member for Morecambe and Lunesdale (David Morris) rightly focused on small business, and he asked whether mobile businesses might be covered. That is an interesting question that may be worthy of further development in Committee. Members also mentioned the compensation cap, and as we have heard, there is provision for it to be extended. Any legislation requires regular Government assessment, and there are processes in place for that, which I hope will allow for reflection on the level of the cap. I am sure that that point, too, will be subject to further examination in Committee.

Several of the proposals in the Bill will make compensation arrangements more generous. The way compensation has been paid in the past has created hardship for some vulnerable people and businesses, and it is right to ensure that those in the greatest need can recover more easily from the impact of riots. We are mindful of our responsibilities to protect public money, and the proposals to limit payments to large businesses and to apply excesses to compensation will help balance out the impact of increased compensation.

Ultimately, however, the purpose of the Bill tabled by my hon. Friend the Member for Dudley South is to protect vulnerable people from hardship. The current provisions may have been suitable to provide for the living standards of Victorian Britain, but they do not reflect the needs of our modern society. That is why I agree with him about the need for change. I commend him again for bringing the Bill before the House. In the light of today's debate and the clear need for reform, I hope that the House will not just commend him but give his Bill a Second Reading.

12.25 pm

Mike Wood: With the leave of the House, I would like to thank right hon. and hon. Members from both sides of the House for the positive and constructive points they have made in the debate. I will certainly reflect on those points, and I look forward to discussing them in more detail should the Bill proceed.

Given that the debate has already run for rather longer than I expected, I will not repeat the important points that have been made in the debate and in my right hon. Friend the Minister's response to it, except to say that we all pray that the measures in the Bill will not be needed, but we must never allow hoping for the best to prevent us from preparing for the worst. I hope that Members will support the Bill, and I commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time; to stand committed to a Public Bill Committee (Standing Order No. 63).

Pavement Parking (Protection of Vulnerable Pedestrians) Bill

Second Reading

12.26 pm

Simon Hoare (North Dorset) (Con): I beg to move, That the Bill be now read a Second time.

Like many right hon. and hon. Members, I availed myself of an invitation from the Royal National Institute of Blind People a couple of months ago. I met the RNIB in a town in my constituency and was blindfolded and given a white stick. Then a disembodied voice said, "Don't worry, we'll stay with you." I thought I was making huge and great progress, but when I took the blindfold off after about 40 minutes, I realised that I had travelled about 200 yards. My agent had kindly videoed me making the trip, and she was going to use the video—I am not entirely sure whether it was for promotional purposes or blackmail. However, it was unusable because of the level and frequency of expletives—from me, I hasten to add—as I kept bumping into things and getting disorientated.

I was lucky, because after that 40-minute torture I was able to take my blindfold off, see where I was, get my bearings and move around the town of Blandford Forum. However, 2 million people in this country are registered as either blind or visually impaired, and there are only 5,000 guide dogs. It does not take Einstein to do the maths and realise that a huge number of people who are either blind or visually impaired are without guide dogs. While they go about their legitimate business day in, day out—going to the shops, going to a community event, going to work, taking a child to school—they often find themselves encumbered by a car that is parked on a pavement when there is no need for it to be there. That is the kernel of the Bill.

What attracted me to the Bill is that it will have direct and signal benefits not just for those who are blind and visually impaired but for many hundreds of people in each and every constituency.

Antoinette Sandbach (Eddisbury) (Con): I do not know whether my hon. Friend has ever tried to push a double buggy with two children in it, but there are many, many mothers up and down the country, as well as in my constituency, who will be extremely grateful that the Bill is being brought forward.

Simon Hoare: I have never been blessed with twins, but with three young daughters who are now seven, five and three, I have certainly had one in a pushchair, one at heel—well, vaguely at heel—and one on my shoulder. I empathise entirely with my hon. Friend. She is right that that group of people would benefit from the Bill, too.

We are very keen—this is what sits behind much of our proposed welfare reforms—to bring people who are able to work but have a disability back into the workplace, for all the reasons and benefits we recognise and understand. It can be very difficult, however, particularly for those in what can often be rather large and cumbersome motorised scooters, to suddenly find their progress blocked. What opportunity do they then have to progress? They can either turn around and go home, or go out on to the carriageway and take their lives—and not just their lives—in their hands.

Nick Thomas-Symonds (Torfaen) (Lab): Like the hon. Gentleman, I undertook a blindfolded walk around the town centre of Pontypool in my constituency. It brought home to me first-hand how the nature of obstacles makes a tremendous difference to making progress. Does he agree that one of the important parts of the Bill is not just about removing obstacles, but assisting with the level of anxiety that people with sight impairment suffer?

Simon Hoare: The hon. Gentleman is absolutely right. Recent research shows that 70% of those who are blind have, in the past three months, collided with a car parked on a pavement, and that 32% feel less confident about going out. If we are in public policy and public affairs to increase social mobility and inclusion, and to build communities up, there would seem to be merit in trying to encourage people of limited ability to get involved and to do things. That is why I am bringing forward the Bill.

Following on from the point made by my hon. Friend the Member for Eddisbury (Antoinette Sandbach), as well as helping the blind, the visually impaired, the disabled and parents with young children, I think of children taking their first independent steps when they hit the age of 10, 11 or 12, and are walking to school with an older brother or sister. It is highly dangerous for them, on some occasions, to have to walk into the carriageway. That is a danger not just to those pedestrians, Mr Deputy Speaker—I am not sure when you appeared, Mr Deputy Speaker; I think I might have referred to you as Madam Deputy Speaker a moment or so ago, in which case I apologise—but to motorists who might suddenly find they have to swerve.

The key point I want to make in my opening remarks is that the Bill is not anti-car or anti-motorist. My wife and I own a car each. I represent a rural constituency of 400 square miles. Without a motorcar, there is no way I could serve my constituents. Without a motorcar, there is no way we could take our children to school five or six miles away from where we live. This proposal is not anti-motorist; it is about fairness and proportion.

Julian Knight (Solihull) (Con): There is also a safety aspect involved for motorists trying to pull out of their own driveways who find their view obstructed by cars parked on the pavement. In my surgeries, and, I imagine, in the surgeries of many hon. Members, we often come across people who have encountered a serious accident or great inconvenience from such an occurrence.

Simon Hoare: My hon. Friend is right. A lot of evidence has been presented to me from people around the country—not just my constituency—who have opened their front door and, rather expecting Jeremy Beadle to jump out, found the side of a white van parked so close to their front door that they have barely been able to get on to their front step.

My hon. Friend leads me to the point made by the Treasury Bench—I will come on to the Treasury Bench in a moment or two—that there are already rules and regulations to cover this arena of public life. However, they are desperately confusing. For example, it is an offence to park on a pavement, but according to local councils that is a matter for the police to enforce. It is a criminal offence, not a civil offence. The guidance in the Act that makes it a criminal offence refers, however, to wilful negligence. Now, it is quite hard, even for learned counsel such as my hon. Friend the Member for Gainsborough (Sir Edward Leigh), always to prove, without a shadow of a doubt, that parking has been wilful or negligent.

Sir Edward Leigh (Gainsborough) (Con): I have a great deal of sympathy for what my hon. Friend is trying to achieve, but can he explain how it will work in practice? Clause 1 states that a person who parks on a pavement or a footway in an urban environment is guilty of a civil offence, but what can they do if they live on a very narrow road with no off-street parking? If they do not park partly on the pavement or footway, they are obstructing the road. I am sure my hon. Friend can deal with this point, but it is a serious one that needs addressing.

Simon Hoare: My hon. Friend is absolutely right. The Bill was introduced by a former hon. Member for Cheltenham in an earlier Parliament, but it was not debated. We have taken it on and amended it. This will not be a blanket ban for pavement parking. In medieval or older town and city centres with Victorian terraces and the like, popular ownership of the motorcar was never envisaged. To make the carriageways wide enough for emergency vehicles, bin lorries and other large vehicles, it is important to ensure a balance is struck between allowing the free movement of vehicles and securing the free movement of pedestrians.

The major difference in the Bill is that clause 3 sets aside specific provision for the Secretary of State for Transport to provide regulations and guidance to local authorities about who to consult—who are statutory consultees—and how to consult before it is introduced. It is not a blanket ban and nor is it an automatic obligation for local authorities to make use of the purposes set out. It will be up to the local authority, working in concert with local councillors, communities, freight transport associations, road haulage associations and the emergency services, to decide precisely where it is either appropriate or inappropriate to permit or to prohibit the parking of motorcars on pavements. This is not the dead hand of the state. This is not a licence for pettifogging officialdom, and nor is it a cash cow for local authorities to try to get in a bit of extra revenue. It will be proportionate and it will be sensible.

One thing I did not know—I am pretty certain that hon. Members know this, but it was a gap in my knowledge—is that organisations such as the RNIB and Guide Dogs will offer a service to people in all our communities to devise a safe and secure route to the shops, to work, to church, to school or to wherever. If, post consultation, and on the presumption that a local authority has decided to avail itself of the powers in the Bill, the trigger is that it would mark out in some way—through signage, line painting or whatever—where pavement parking is permitted, de facto, and anything not marked would not be allowed. It would allow the good folk at the RNIB, Guide Dogs and other charities to devise routes to give people certainty that when walking from A to B they will not meet a parked car. I hope that addresses my hon. Friend's important point.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Is it not important to empower our councils to make decisions in accordance with their own landscapes? I, for example, have a medieval walled city in Berwick and

a cobbled town in Alnwick. Interesting work has been done in many French towns. In some, parking is permitted on one side of the street for two weeks in the month, and then for two weeks on the other side, which means that emergency vehicles can always get through. The communities have adapted, there is a rigour to it and people do not break the rules because they understand that they support the flow of everyone who needs to use the pavements and roads.

Simon Hoare: I am incredibly grateful to my hon. Friend, who has given me an awful lot of support on the Bill and is a huge supporter of Guide Dogs. She makes her point well. Through local consultation and accommodation, these things can be resolved so that nobody is disadvantaged and social inclusion and mobility can be put at the heart of everything we do.

It might be helpful if I mention some of the organisations supporting the Bill: Guide Dogs; the Local Government Association, which is fed up with all the conflicting guidance from different Departments and geographically narrow traffic regulation orders, which cost between £3,000 and £3,500 but which are not really doing the job; the British Parking Association—it might just be a drive to get more customers into its car parks; the Campaign for Better Transport; Age UK; Living Streets; the National Association of Local Councils; Whizz-Kidz; the RNIB; Sense; Civic Voice; Cabe Design Council; Keep Britain Tidy; Transport for All; the Macular Society; the National Pensioners Convention; the National Federation of Occupational Pensioners; Deafblind UK; and SeeAbility. That level of support, from organisations that have thought about the Bill and decided to support it, indicates the wide range of potential beneficiaries.

Bob Stewart (Beckenham) (Con) *rose—*

Simon Hoare: I will give way to my hon. Friend, who kindly sponsored the Bill with me some months ago.

Bob Stewart: I rise as a sinner. I am guilty. I have been brought before the beak and charged £60 for parking outside my house in Kingston. I was guilty. I hope that the Bill, which I sponsored, will pass, so that I will know in future, from road signs, that I should not park outside my house.

Simon Hoare: Heaven rejoices when a sinner repenteth. I am certain that my hon. Friend's confession, in perhaps the most public place to make a confession, will have the angels tuning their harps even as we speak.

Kevin Foster (Torbay) (Con): Will my hon. Friend give way?

Simon Hoare: It is not another confession, is it?

Kevin Foster: No, thankfully not. Does my hon. Friend agree that the intervention from our hon. and gallant Friend the Member for Beckenham (Bob Stewart) raises an important point about the confusion in the current legislation? In my constituency and that of my hon. Friend, there is one set of parking legislation, which is hard to enforce, even where communities have chosen to ban it, while in the constituency of my hon. Friend the Member for Kingston and Surbiton (James Berry), there applies the sort of legislation we are trying to introduce here. Would it not be fairer to motorists and communities to have consistency across England?

Simon Hoare: My hon. Friend is absolutely right. He will know that almost identical provisions have existed in London since 1974. I am advised that the London boroughs association would go to hell kicking and screaming if anyone proposed any relaxation or change to the parking guidance that has served London and her boroughs so well all these years.

Mr Christopher Chope (Christchurch) (Con): Does my hon. Friend agree that the Bill might raise expectations that cannot be realised? For example, Dorset county council says it cannot afford to fund a 20 mph speed limit outside Twynham school on Sopers lane, where a student was knocked down and injured on a pedestrian crossing earlier this year. If it cannot even afford that, how will it afford to implement the complicated measures in the Bill?

Simon Hoare: I disagree with my hon. Friend that these are complicated proposals; I think they are anything but complicated. As we all know, local authorities choose to prioritise different areas, and we are both lucky enough to reside in and represent constituencies in the area of a finely run and Conservative-controlled county council.

I return, however, to the point made by our hon. Friend the Member for Gainsborough (Sir Edward Leigh). It would be up to local authorities whether to use the legislation. If they decided not to, for cash, political or ideological reasons, there would be no obligation on them so to do, and they would continue to rely on the police—or police community support officers, if they so wished—to treat the matter as a criminal offence and to issue tickets and fines through that process. That is the important point. This is not a coercive Bill; it seeks to address, in a pragmatic and sensible way, an issue that is recognised by many people in this House and the organisations I listed earlier.

James Berry (Kingston and Surbiton) (Con): I thank my hon. Friend for introducing the Bill and all those, including my constituents in Kingston and Surbiton who have long campaigned for this measure—

Bob Stewart: It was Kingston that fined me.

James Berry: I know. I am glad to see my hon. Friend's parking fines going towards reducing our council tax bills. Will my hon. Friend the Member for North Dorset (Simon Hoare) confirm that the Bill reaches a sensible accommodation between motorists and the long list of organisations he mentioned, and, more importantly, a localised accommodation that could, if done properly, be right for all areas of the country?

Simon Hoare: My hon. Friend is absolutely right. A local authority could decide to deal with the matter on a ward-by-ward basis. It could run pilots. It is an iterative, organic process, not a fixed one. I will leave him and my hon. and gallant Friend the Member for Beckenham (Bob Stewart) to sort out the repayment of the fine.

I know that there are lies, damned lies and statistics, but I think these are powerful: 97% of blind or partially sighted people have encountered problems with general street obstructions, and 90% of them have experienced direct trouble from a parked car. I have been sent a vast

[Simon Hoare]

number of photographs—it goes to show, particularly after this week, that social media can actually be social—of vulnerable and elderly people, mothers and disabled people walking into busy carriageways to get around parked cars. I had an email from a lady who was in a mobility scooter who literally got stuck: there was one van parked in front of her and, before she realised it, another behind her. There was no dropped kerb, and she sat there for an hour and a half, because although she could just about bounce her vehicle down the kerb, there was no guarantee she would be able to bounce it back up on the other side. I say in all common decency, and as a motorist myself, that if only a little extra thought was given to these matters, legislation probably would not be required, but we are all too much like St Augustine, and therefore we often err where we should not.

Mike Wood (Dudley South) (Con): Does my hon. Friend agree that this problem is particularly acute on pavements around schools, especially primary schools, where obstructed pavements not only force buggies into the road but obstruct pedestrians' view and prevent them from crossing safely?

Simon Hoare: My hon. Friend is absolutely right, and as this debate continues the clear and tangible benefits are seen to be ever wider and ever clearer.

I turn now to the discussions I have had with the Department for Transport since we published the Bill. I do not think this is always the case with Departments and private Members' legislation, but I want to put it on record that the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), and the Lord Commissioner of Her Majesty's Treasury, my hon. Friend the Member for Meon Valley (George Hollingbery), have been phenomenally helpful and courteous to me. That may come as a unique note in the *Official Report*. I also want to put on record my debt of thanks to my hon. Friend the Member for Shipley (Philip Davies), who is a huge supporter of Guide Dogs and who advised me as a new and rather wet-behind-the-ears Member of this House on how best to proceed if there was not a mutual meeting of minds between me as the promoter of the Bill and the Department affected—in this case the Department for Transport, as the Bill would amend the Road Traffic Act 1988.

It is unfortunate that a meeting of minds has not been achievable during those discussions. However, my hon. Friend the Member for Harrogate and Knaresborough has convinced me of both his sincerity in dealing with the issue and, in general terms, his firm and clear commitment to improving the rights of the disabled and the vulnerable with regard to transport and mobility. It was on that basis, following a conversation with my hon. Friend the Minister, that I wrote to him on 26 November setting out what I thought was a good proposal to move forward if, even in the dying days of our discussions, a meeting of minds was not achievable.

I have set out to the Minister that a round table discussion would be convened by the Department early in 2016, to be attended by organisations such as Guide Dogs, the Local Government Association, Living Streets, the Royal National Institute of Blind People and myself, to discuss the concerns that triggered the Bill and the current situation. The Department has agreed to sponsor evidence-gathering to provide a sound basis on which to determine how best to proceed in addressing the issue, either by legislation or regulation. That would be undertaken at the expense of the Department for Transport. Following the commissioning of that evidence-based research and greater clarity on what I believe to be clear already—that the situation is a little hazy and the rules a little confusing and conflicting, although, as I have said, we have been unable to achieve a meeting of minds—that initial round table would convene to chew over the findings of the research and plot a way forward.

On 1 December, my hon. Friend the Minister replied to me to say:

"However, improving access for disabled people is a key priority for me and I would like to thank you and Guide Dogs for raising this issue. Although Government cannot support your Bill, I am prepared to convene a round table next year to discuss this issue and envisage that it might include"—

I have mentioned some of those involved—

"to inform the questions we will consider in the research. After which, and in the next financial year, I am also content for my Department to undertake some work to examine more closely the legal and financial implications of an alternative regime and the likely impacts on local authorities. I would also be content to report back to the round table on the outcome of that work."

There are two ways, as I understand it, to try to achieve progress on what I think is seen collectively across the House as an important issue. One way is to ram our heads against the wall, to find ourselves faced with the overpowering might of the Executive and the Treasury Bench, and to come away with a headache and a badge that says, "A1 for endeavour, gamma minus for success". The other way—this was the advice of my hon. Friend the Member for Shipley, for which I am again grateful—is to sit down with the Department. Predicated on the seriousness with which my hon. Friend the Member for Harrogate and Knaresborough has been dealing with this and the assurances he has given, that has certainly given me food for thought.

In the time remaining, I would be very interested to hear—obviously at your discretion, Mr Deputy Speaker—the views and considerations of colleagues on both sides of the House.

12.55 pm

Susan Elan Jones (Clwyd South) (Lab): Mine will be but a short contribution to the debate. I would like to put on record the thanks of very many Members to the hon. Member for North Dorset (Simon Hoare) for bringing forward this Bill and raising an incredibly important issue that affects the day-to-day lives of so many people, especially those who are blind or have visual disabilities.

I have received representations from a number of constituents on this issue, as have many of us, but I was struck in particular by what one of them said, a gentleman by the name of Ian Stewart Jones who began lobbying in one of our local newspapers. He said:

"I suggest…people contact their…MPs…so we can put an end to this very selfish practice."

That is quite interesting, because many people who park on pavements do not see it as selfish. It is sometimes the easy thing to do. For those of us who are not very good at parking—or, rather, who are atrocious at it—it sometimes seems the best option, as we choreograph

our little vehicles into what we think is the best and easiest place to park, so it is interesting to see that word "selfish".

We can imagine the difficulties that many people face because of this practice, and I was interested to hear the hon. Gentleman quote the sheer number of organisations that support his Bill. I did not take them all down, but they include the RNIB, Guide Dogs, the National Pensioners Federation, Living Streets, the Local Government Association and so many more, so it is fair to say that there is already a wide consensus in civic society and in the representative groups he listed that support the Bill.

I appreciate that there will now be further consultation, discussion and the like, but I would like to put on record a plea that this measure not be forgotten, because I was very struck by that description of parking on pavements as a selfish practice. I can imagine it is also a very demeaning practice for people who want to get on with their day-to-day lives, but who face being knocked over and having to bump against vehicles—who face the general degradation that, quite frankly, most of us would not put up with for even 20 minutes. I therefore urge Ministers and all Members to recognise this as an important and serious Bill. We often talk in this place about equality, diversity, equal chances and all the rest of it, and this Bill is at the heart of what we mean by that. It is a practical manifestation of it. Whatever happens at the next stage, I urge that it not be forgotten. In one form or another, the Bill needs to proceed.

12.58 pm

David Mackintosh (Northampton South) (Con): I am very pleased to be speaking on this topic because, like my hon. Friend the Member for North Dorset (Simon Hoare), whom I thank for bringing it to the House, a couple of months ago I was invited to take part in a walk where I was blindfolded, given a white stick and led by a guide dog around Northampton market square. It was a route I have taken throughout my life, but it was a real education to do it without the sight that I have become so used to throughout my life and which we all take for granted.

I depended very much on the dog that was guiding me around the market square, but I had not appreciated how different everything around me would be—the cobbles on the pavement beneath me and the cars that were parked, frankly, where they should not have been, which would not have mattered had I been able to see. I was grateful to the Guide Dogs for the Blind Association in Northampton and the Northamptonshire Association for the Blind for giving me that opportunity.

As someone with a background in local government, I know that issues to do with parking, pavements and cars are often brought to us. It is difficult to see how we can make certain changes, because lots of residents want to have access to cars, parking and their homes, as we have heard. However, this does need to be looked at. I am glad to hear that it is being taken seriously by the Department for Transport; I am grateful for the update provided on the round table next year; and I look forward to seeing further developments.

1 pm

David Morris (Morecambe and Lunesdale) (Con): I congratulate my hon. Friend the Member for North Dorset (Simon Hoare) on bringing forward this Bill to deal with an issue that should have been addressed sooner. It is right to harmonise across the country the arrangements and enforcement policies that have been in place in Greater London for a very long time.

Every council and every individual sees the abuses of pavement parking on a daily basis. It can be very costly: pavements can crack when cars go on to pavements; the dropped stone kerbs and footings on the pavements can be damaged; and even landscaped areas can be damaged, which has not been mentioned so far.

How can we police this in the future? A reasonable form of future policing would involve something along the same lines as a parking ticket. Provision would need to be built into the new laws that enforcement is not fielded out to these ANPR—automatic number plate recognition—processing companies, because those cowboys will move on straightaway to find another little loophole that they can exploit to the hilt.

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): Let me provide some clarification. It has been stated that parking on the pavement is a criminal offence. If a council uses its powers to ban pavement parking on particular streets, it can be enforced by those councils if they have civil enforcement powers. About 95% of local authorities do have those civil enforcement powers.

David Morris: I thank the Minister for that interjection. He is correct in everything he says, but these powers are very costly. Their enforcement can range from £1,000 to £3,000, so we need to look at finding a means of enforcement on a cheaper scale, as well as on a fairer scale. I believe that any legislation to address this problem should exempt councils from bringing in these "spy-in-the-sky" companies, which would cause not only more problems for individuals, but an absolute headache for any legislative process that we introduce.

I have nothing more to say other than to wish my hon. Friend the Member for North Dorset well and to thank the Minister for listening to parking issues not only on this occasion, but many times in the past.

1.2 pm

Daniel Zeichner (Cambridge) (Lab): I first congratulate the hon. Member for North Dorset (Simon Hoare) on bringing forward the Bill and on introducing me to the concept of a child at heel—not something of which I have had much experience.

Where drivers may or may not park is an issue that confuses drivers who find the current law applied inconsistently; frustrates local residents who suffer inappropriate parking; causes misery to people with disabilities and visual impairments who find pavements blocked; and is a subject on which I know many campaigning groups have worked very hard, and I pay tribute to them. Some of them were listed earlier and it is an impressive array of campaigning organisations, as well as the Local Government Association, the British Parking Association and, according to research, more than three quarters of councillors across the country.

That has helped to inform the view on the Opposition side of the House, and we broadly support the proposed measures, although we, too, believe that there is more work to be done. We want clarity for motorists and

[Daniel Zeichner]

accessible pavements for all, but we also want to be sure that the Bill will not simply substitute one bureaucratic burden on local councils with another.

Everyone is affected by parking on pavements, which were clearly not designed to bear the weight of cars. Pavement parking can cause obstruction and damage, such as cracked paving and tarmac, and needs to be properly managed. The cost of maintaining damaged pavements can be significant, adding an extra financial burden to councils already faced with deep funding cuts and stretched to breaking point.

As we have heard, vehicles parked on pavements are an issue particularly for vulnerable pedestrians—especially for older people, families with pushchairs, wheelchair users and people with visual or mobility impairments. Banks of parked cars can also force cyclists to swerve into dangerous traffic flows, which can be especially dangerous on narrow roads. With the levels of congestion we have in our country, it seems unlikely that these problems are going to disappear, and we need better legislative intervention.

Let me first address the state of the current pavement parking laws outside of London, which to any independent observer may well seem both illogical and impractical. As has been pointed out, the current law is inconsistent across the country and it is inconsistently applied. Although pavement parking is legal, it is actually illegal to drive on to the pavement, whether with the intention to park or not. The ambiguity in the law means that most local authorities, as we have heard, struggle to enforce restrictions.

As the law stands, my understanding is that local authorities are able to prohibit parking in specific areas by issuing a traffic regulation order. Since 2011 local authorities are no longer compelled to obtain permission from the Department for Transport to issue traffic regulation orders, but the process is still time-consuming, taking up to two years, and it must go through a period of extensive consultation. Furthermore, it is estimated that the average cost for each traffic regulation order is between £1,000 and £3,000, a not inconsiderable sum.

Some tell us that local authorities outside London already have wide-ranging powers to prohibit pavement parking, but when one looks at the attempts of some local authorities to discourage pavement parking, they can be described only as inventive in some cases. They include installing guardrails, planting trees and strategically placing bollards on pavements, and I understand that there is even Government guidance on non-legislative methods to prevent pavement parking. These methods are sometimes farcical, and they are not always effective. As the LGA points out, such physical barrier schemes may simply transfer the location of a parking problem to another nearby area.

This is not a new problem. As long ago as 2006, the Transport Select Committee said:

> "The Government must grip the problem of pavement parking once and for all and ensure that it is outlawed throughout the country rather than relying on the use of individual Traffic Regulation Orders on specific streets and local Acts to impose a ban."

The Committee also called for reform to end

> "the confusing patchwork approach across the country".

We are close to celebrating a decade since the Transport Committee said that. What we want is a Bill that will create a new system, such as the one suggested in this Bill, under which local authorities would be able to apply for exemptions from pavement parking bans on a street-by-street basis rather than applying to prohibit parking in specific areas.

This is already the experience in London for the 32 London boroughs and the City of London, which has had a general prohibition on pavement parking since 1974. I understand that pavement parking is also banned in Exeter through a byelaw, but the use of byelaws to address pavement parking is, I am advised, no longer approved. The fact that pavement parking bans have worked in these areas is an encouraging sign that a ban could work on a national scale, ending the regional disparity and the "patchwork approach" mentioned by the Transport Select Committee.

We recognise that the implications of the Bill need to be gone through with a fine-toothed comb, and we need to acknowledge that with different issues in different part of the country, a one-size-fits-all approach would probably not be appropriate. That is why we would need assurances that the process to exempt locations will be far less complex than the current process of issuing a traffic regulation order, and that all options for change, including reforms to an opt-in system, will be properly considered.

We must ensure that local authorities will not be saddled with unnecessary financial and administrative burdens. Historic cities struggle with modern volumes of traffic, as we have heard. In my city of Cambridge and others such as Oxford and Durham, large numbers of narrow streets could necessitate numerous exemptions from a ban on pavement parking. We would need to know that the process would not create a bureaucratic nightmare. Perhaps in such places councils could apply for larger areas to be exempt from a pavement parking ban, circumventing the tedium and cost of a street-by-street approach.

Clause 3 makes reference to "a fair increase" in the level of fines that local authorities could levy, subject to a consultation led by the Secretary of State. This is certainly a concern for the Opposition. We do not want to see drivers unfairly penalised. If the Bill is to be considered further, this point must be addressed.

In conclusion, we all recognise a need for far greater clarity and that the issues surrounding pavement parking should not continue to be shunted aside. I am very pleased that the hon. Member for North Dorset has brought forward the Bill, and we want to ensure that progress is made on the issue. Although we are slightly disappointed that the Government have chosen not to support the Bill proceeding further, we welcome the fact that there will be further discussions. We hope that we ultimately end up with legislation that will help local authorities to make decisions about parking more simply, with reduced costs, and that we will be able to protect vulnerable pedestrians and all those who use our roads and pavements in our country.

1.19 pm

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): I commend my hon. Friend the Member for North Dorset (Simon Hoare) for the way

in which he introduced his Bill, and for his clear concern for the safety and free movement of pedestrians. Having tried and failed to encourage a Patterdale terrier to walk to heel, I was very pleased to hear that he had had more success with his own children.

Disabled people, older people, and people with young children in pushchairs are particularly concerned about this issue, but the House should be in no doubt that I share his concern for the well-being of all pedestrians. I have been out and about in Scarborough wearing blacked-out glasses and observed some of the problems caused by, in particular, restaurants putting tables on the pavement. That is a perennial problem.

It is clear from what was said by the hon. Member for Cambridge (Daniel Zeichner) that a number of complications would need to be ironed out before the Government could act, and given that many local authorities are under the control of his party, and other parties, I think it important for us to encourage authorities to engage fully.

Vehicles parked on a footway or verge where such parking is not permitted can cause serious problems for many groups, including people in wheelchairs and those with visual impairments. Indiscriminate pavement parking does more than cause problems for the movement of pedestrians, as it may also damage the verge or footway, and the burden of repair costs normally falls on the local highway authority. High-quality pavements are important in enabling people to get about as part of their everyday lives and participate in their community.

My hon. Friend's Bill has inspired some valuable and interesting debate; let me now offer the Government's views.

There is currently an historic ban on footway parking by all motorised vehicles throughout London, except where it is expressly permitted by local authorities, and the Bill seeks to extend a similar prohibition on footway parking outside London. It is worth noting, however, that in many cases London councils permit limited footway parking, which is indicated by relevant signs, including a broken line on the footway prescribing the limits of footway incursion by vehicles. That is because local authorities need to take account of all road users when making decisions on footway parking restrictions or allowances.

In some streets, footway parking is in practice inevitable to maintain the free passage of traffic to meet the needs of local residents and businesses. It would not be possible to drive a refuse wagon, let alone an emergency vehicle, down some narrow streets if that were not the case.

Local authorities must address such issues to ensure that a fair and balanced approach is taken to all residents and road users, and it is therefore right for them to decide where footway parking should be permitted. I should make clear that all authorities outside London already have full powers to introduce bans on footway parking wherever they see fit. That can be done by means of a traffic regulation order, under powers contained in the relevant sections of the Road Traffic Regulation Act 1984. The restrictions must be indicated by traffic signs that have been authorised by my Department.

David Morris: Obviously legislation and regulations already exist to prevent pavement parking, but the process is very costly. Is there any way in which we could amend the offence to make it cheaper for councils to act accordingly?

Mr Goodwill: We heard from the hon. Member for Cambridge that some local authorities could prescribe zones, but if there were a ban on all footway parking, the cost associated with relief from that ban on certain streets would fall on local authorities. It is the flip side of the same coin.

I understand that the traffic regulation system is considered by some people to be a barrier to the wider provision of an effective footway parking system, but do not entirely accept that. Despite the cost, local authorities make many traffic regulation orders each year for a variety of traffic management purposes. An average authority makes perhaps 50 permanent orders a year. In practice, local authorities are responsible for both parking policy—deciding where parking may or may not be permitted—and parking enforcement.

In addition to direct footway parking bans delivered through traffic regulation orders, there are the yellow line road markings. Vehicles should not park at all where there are double yellow lines. Upright traffic signs indicate when parking restrictions are in operation when they are placed in conjunction with single yellow lines. Those restrictions apply from the centre of the road all the way to the back line of the highway, including the footway—which could mean the fence line of a field, or a length of residential garden walls.

There are also several ways of preventing footway parking that do not involve regulation, including the use of physical measures such as the erection of guard railings, bollards, high kerbs, cycle racks, seating and planters. Decisions on whether to use such measures must be made by local authorities, on the basis of local circumstances and site layouts. Their use does not require traffic orders or signing, and can therefore be a relatively quick means of restricting vehicle access, as there is no need for a formal order-making process. Of course, we would still encourage local authorities to consult those likely to be affected as a matter of good practice. Such measures also have the advantage of being self-enforcing, thereby cutting down on the resources that are needed to ensure they are complied with.

I recognise, however, that the needs of disabled people must be taken into account, and that careful planning of physical measures is required to ensure that they can get about safely and independently. We must not forget that some people with mobility problems need to park close to their homes, and that that may sometimes require pavement parking. We would not want people with serious mobility problems who had been accustomed to parking outside their homes to be forced to park two or three streets away. Local authorities have the power to ban vehicles from parking on the footway, and the Department for Transport's guidance to local authorities makes clear that during the appraisal of its parking policies, an authority should consider whether footway parking is problematic in any part of its area. If it is, and if that is not covered by an existing traffic regulation order, the authority should consider amending the existing order or making a new one.

Introducing a national ban on footway parking outside London would change the way in which local authorities decide where and when footway parking would be allowed or prohibited. It would be a change to the current system but would not introduce a new power, as local authorities already have that power; and it would not be without new cost burdens for local authorities. They would have

[Mr Goodwill]

to remove any existing local prohibitions, taking down signage, and then review every road in their areas to establish where limited footway parking should still be allowed, to avoid congestion, before going through the process of passing resolutions, putting down road markings, and erecting appropriate signage.

If the Government were to propose any such legislation, I would not wish us to do so without undertaking a full and impartial impact analysis, evidence-gathering exercise and consultation, in order fully to understand the legal implications and the costs that might be imposed on local government of changing the existing system when powers to ban footway parking already exist.

As I explained at the outset, we share my hon. Friend's concern for the safety and free movement of pedestrians. Improving access for disabled people is a key priority for my Department. Although the Government cannot support the Bill, I know that the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), has agreed to convene a round table next year to discuss footway parking issues, and has also agreed that the Department should undertake some work to examine more closely the legal and financial implications of an alternative regime, and the likely impacts on local authorities. I cannot commit myself to any further action without a firm evidence base and the collective agreement of my ministerial colleagues, including those in the Department for Communities and Local Government. Nevertheless, I hope that, on the basis of what I have said, my hon. Friend will feel able to withdraw his Bill.

1.18 pm

Simon Hoare: I am grateful to the Members on both sides of the House who have participated in the debate. I am particularly grateful for the support from my hon. Friend the Member for Northampton South (David Mackintosh), given that, before entering the House, he was the leader of Northampton Borough Council.

Let me say to the hon. Member for Clwyd South (Susan Elan Jones) that I am, at this stage, content to accept the assurances of the Department and the Minister. However, she should rest assured, as should the organisations who have signalled support for the Bill, that I—along with, I believe, colleagues in the House—will be holding the Department's toes to the fire next year in order to make progress.

I am afraid that I neglected earlier to include my thanks to Fergus Reid, Clerk of Private Members' Bills, who has been incredibly helpful to me.

People often wonder why a Member has introduced a Bill. I shall let the House into a little secret, with apologies to the hon. Member for Torfaen (Nick Thomas-Symonds), who has heard this one before. In the last month, the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) has received the birth certificate of a guide-dog puppy, which has been named after him. I thought that calling a dog Andrew was rather sweet. In actual fact, they have called it "Jones". I was rather hoping that if we make some progress on this, the Guide Dogs might name a dog after me, because I rather look forward to its owner shouting across a crowded playing-field, "Hoare."

I should also report the thanks of my three daughters, Imogen, Jessica and Laura, who I do not think ever thought they would get so many mentions in the House on a Friday morning.

Based on the assurances and undertakings I have had both in writing and in person from my hon. Friend at the Dispatch Box and his colleague, all of which underline the point of the complexity local authorities face in this area, I propose to withdraw the Bill and therefore beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

Bill withdrawn.

Criminal Cases Review Commission (Information) Bill

Second Reading.

1.21 pm

William Wragg (Hazel Grove) (Con): I beg to move, That the Bill be now read a Second time.

I thank colleagues from across the House who have been able to join me today in support of this, my first private Member's Bill. I am very pleased the House has been able to give a significant portion of time to debate this Bill this afternoon. At one point I feared that may not come to pass when I was allocated the third slot in today's proceedings. I have discussed with colleagues outside the Chamber how that would have been a disappointment, as not only do I believe this is an important and valuable Bill, but I also believe it is right that it should be given proper debate in the Chamber this afternoon.

Its subject is miscarriages of justice and the gathering of evidence and information to assist in such cases. We have already had two Second Reading debates today, led by my hon. Friends the Members for Dudley South (Mike Wood) and for North Dorset (Simon Hoare), and although their Bills had different fates, we have had two excellent debates, and like an actor waiting in the wings, I watched with a mixture of enjoyment and trepid anticipation.

So I present to the House the Criminal Cases Review Commission (Information) Bill. If enacted, it would extend the powers of the CCRC to obtain information and evidence, testimony, documents and other material which would assist in its proceedings of appeal and review cases where a miscarriage of justice is believed to have taken place. In essence, it would allow the CCRC to obtain such information from a person other than one serving in a public body, as it is currently restricted to doing. This new measure would apply to private-sector organisations, persons employed by, or serving in, private companies, and private individuals. If passed, it would strengthen the CCRC's ability to overturn wrongful convictions and miscarriages of justice, and improve further our system of law and order, which is rightly the envy of the world.

I intend to lay out my proposal of support for the Bill in three sections: first, to set out the context of the Bill, what it seeks to achieve, and the workings of the CCRC at present; secondly, to detail what the Bill does and how the amended law would work in practice; and, lastly, to explain why I believe this Bill is necessary, and how it would improve justice in our country. May I also say at the outset that I hope to encourage a strong debate, and although our time is limited, colleagues are more than welcome to make the odd intervention?

I shall lay out for context the background to the Bill and the journey I have been on to get here today, and the current working of the CCRC. I was very fortunate to be drawn in the ballot of private Member's Bills in my first year as an MP. I never imagined when I was elected to this place just seven months ago that I would be standing here leading my own debate on a piece of primary legislation.

Following my selection in the ballot, while discussing with colleagues potential topics for my Bill, I decided I wanted to be involved in securing a piece of legislation that would do some good, make a real difference in people's lives, and improve the justice system.

Edward Argar (Charnwood) (Con): I commend my hon. Friend on his choice of Bill. Is he aware of the words of Richard Foster, chairman of the CCRC, to the Justice Committee, who said:

"you can be confident that there are miscarriages of justice that have gone unremedied because of the lack of that power"?

Does my hon. Friend agree?

William Wragg: I entirely agree. This is a vital amendment to the law, allowing the gaining of private evidence to assist in those cases of miscarriage of justice. My hon. Friend is right to raise that.

The CCRC was set up in 1997, following the Criminal Appeal Act 1995, to investigate possible miscarriages of justice. It was the world's first publicly funded body to review alleged miscarriages of justice, set up in the wake of notorious mishandled cases such as the Guildford Four and the Birmingham Six—two high-profile cases of two groups of men, both convicted and imprisoned for connections to bombings carried out by the IRA in the 1970s.

Both sets of convictions were found, after repeated appeals, to have had serious breaches in the due process, irregularities in police evidence and, in the case of the Six, serious accusations of police brutality. All the men spent between 10 and 20 years behind bars before their convictions were eventually quashed after being ruled "unsafe".

The royal commission reported in 1993, which led to the Criminal Appeal Act 1995, which established the Criminal Cases Review Commission in 1997. Although none of those may be a household name, as anyone who has ever been subject to a miscarriage of justice will attest, it is a deeply damaging experience and the CCRC is often victims' only opportunity of salvation.

Before turning to the new powers, I must first explain how the CCRC operates under its current powers. The CCRC currently has the power to investigate alleged miscarriages of justice in England, Wales and Northern Ireland and to refer convictions and sentences to the relevant appeal court for a new appeal. Its jurisdiction was extended to the armed forces by the Armed Forces Act 2006 to cover courts martial and the service civilian court.

Parliament established the CCRC specifically to be a body independent of Government, and although sponsored by, and funded through, the Ministry of Justice, it carries out its operations completely independently. The commission investigates convictions on application by the offender or, in a case where the offender has died, at the request of relatives. It has special powers to investigate cases, and to obtain information which it believes is necessary to review a case. If the CCRC concludes that there is a "realistic prospect" that the Court of Appeal will overturn the conviction, it can make what is termed a "referral" and send cases back to court so that an appeal can be heard.

Applications are free to make to the CCRC and defendants cannot have their sentences increased on account of having made an application for review.

[William Wragg]

In principle, cases should only be examined by the CCRC where all other routes of appeal have failed. Only in "exceptional circumstances" may the commission consider cases which have not previously been appealed. However, as the commission usually deals with cases which have already been appealed once, if the commissioners are to be able to send cases for review it is usually on account of some new evidence or legal argument that has come to light.

Julian Knight (Solihull) (Con): I congratulate my hon. Friend on introducing this important Bill. As I understand it, the Bill would bring the private evidence position of the Criminal Cases Review Commission in England and Wales into line with the position in Scotland. Would he like to reflect on that?

William Wragg: My hon. Friend is correct. The equivalent body in Scotland has the full powers to subpoena private evidence, whereas the CCRC does not have those powers in England, Wales and Northern Ireland. That might have been an oversight in the 1995 Act, but he is right to make that point at this juncture.

The subject of the Bill hinges on what are commonly referred to as section 17 powers. Currently, section 17 of the 1995 Act gives the CCRC the power to require public bodies and those serving in them to give the commission documents or other material that may assist it in discharging its functions. That includes police, local councils, the NHS, the Prison Service and so on. It should be clear how all such bodies could and do serve as vital sources of evidence in such appeal cases. As I said to my hon. Friend, the CCRC currently does not have equivalent powers to get those materials from private organisations and individuals. The Bill contains provisions that would allow the CCRC to do so.

The House should be aware that the current working arrangements and effectiveness of the CCRC were the subject of a dedicated inquiry by the Justice Committee in the previous Session, as my hon. Friend mentioned. The impetus behind the legislation comes directly from recommendations of the Committee's report from the inquiry, which was published in March 2015. I am grateful to have the support of several current and previous members of the Justice Committee. The Committee's thorough inquiry ran for two months and collected evidence from legal academics and others.

Julian Knight: My hon. Friend mentions the Justice Committee. Is he aware of comments of the former Chair of the Committee, Sir Alan Beith, who said:

"There has been a failure by successive Governments to grant the CCRC an obvious and much-needed power to require private bodies to disclose documents to it…We could see no good reason as to why it has not been introduced, considering it has universal support"?

William Wragg: My hon. Friend anticipates a remark I was about to make and is absolutely right to quote the then Chairman of the Select Committee. To answer what Sir Alan said, I stand here today with such a new criminal justice Bill. I hope to put right the failure of successive Governments to which he rightly referred.

I am delighted that the Bill has such widespread support from both sides of the House, including from experts in the fields of law, justice and home affairs. The co-signatories and supporters of the Bill may in themselves have grabbed the attention of fellow Members, given that they are drawn from diverse corners of the House, spanning a chasm of political and ideological opinion. They include solid figures of the traditional right such as my hon. Friend the Member for Altrincham and Sale West (Mr Brady) and my right hon. Friend the Member for North Somerset (Dr Fox), as well as the Leader of Her Majesty's Opposition and the shadow Chancellor. Supporters of the Bill are hardly the most natural political allies.

As well as having supporters of diverse political colours, the Bill has the support of those who have a wide range of experience, such as my hon. Friend the Member for Kingston and Surbiton (James Berry), who is a criminal law barrister, and the long-standing Chair of the Home Affairs Committee, the right hon. Member for Leicester East (Keith Vaz). The Bill enjoys the support of both current and past members of the Justice Committee, such as my hon. Friend the Member for Henley (John Howell) and the aforementioned hon. Member for Hayes and Harlington (John McDonnell), whose names are listed as contributors to the Justice Committee's excellent report. As hon. Members will observe, the report is slightly larger than the shadow Chancellor's more recent preferred reading material, but I will not be tempted to throw it towards the Minister.

The reason for the wide basis of support is not that, in my first six months in this place, I have become an adept and charming schmoozer of parliamentary colleagues and someone who is able to win over a diverse range of unlikely comrades to my cause—far from it. I hope the reason for the wide basis of support is that its merits are clear. What the Bill seeks to achieve is good and necessary. The motivations for legislative change were endorsed unanimously by the all-party Justice Committee from the previous Parliament.

It will be of benefit to the House if I outline what the Bill does and how its implementation would work in practice. The Bill would insert new section 18A into the 1995 Act so that the CCRC can obtain a court order requiring a private organisation or individual to disclose a document or other material in their possession or control. The court will be able to make an order only if it thinks that the document or other material might assist the CCRC in the exercise of its functions and investigations into miscarriages of justice when there is

"a realistic chance of a conviction being overturned by the Court of Appeal".

As with the current power to require material held by public bodies, the new disclosure requirements will apply notwithstanding any obligations of secrecy or other limitation disclosure. That will mean that companies will not be able to use excuses such as the Data Protection Act to deny the CCRC information, as the CCRC has previously experienced. It will also mean that when information carries security classification, including restricted and secret information, that will also not be able to cited as a reason for non-disclosure. That could be particularly important in cases of court martial, with which the CCRC has been involved since the Armed Forces Act 2006.

Even after the Bill is enacted, the CCRC should always attempt first to obtain information voluntarily before reverting to court order.

Mike Wood (Dudley South) (Con): Will my hon. Friend clarify what safeguards will be in place to prevent abuse of these new powers?

William Wragg: The key safeguard is the fact that there must be a court order, with that judicial oversight. That should give assurance to all Members of this House that the appropriate safeguards are in place in the Bill.

Dr James Davies (Vale of Clwyd) (Con): I congratulate my hon. Friend on his Bill. In seeking to ensure that the provisions of the Bill apply to England and Wales and, potentially, Northern Ireland, does he agree that the very similar provisions that have been in place in Scotland for 18 years have not resulted in any record of abused power or privacy invasion?

William Wragg: I thank my hon. Friend for that intervention, which is very helpful. We can use Scotland as a case study. Similar powers have been in force, as he says, for nearly two decades and there has been no recorded abuse of them.

I should state for clarity that the provisions of the Bill will extend to England and Wales and Northern Ireland, as, as we have discussed, Scotland has its own measures in place. The Bill does not contain any provision that gives rise to the need for a legislative consent motion in the Scottish Parliament or the National Assembly for Wales.

I want to elaborate now on why this change in the law is necessary. When I visited the CCRC's headquarters in Birmingham, I saw how the section 17 powers were used. They are an essential tool in the commission's work. Provided that the power is exercised reasonably, the CCRC's ability to obtain public sector information is not restricted by any obligation of secrecy or limitation on disclosure. The power extends, for example, to information relevant to national security and to personal information held by the police, by the Crown Prosecution Service, in previous court material, by the NHS, by Government Departments and so on.

The commissioners have also explained to me that the absence of a power to obtain material from the private sector has often hampered their efforts. When material relevant to the CCRC's work is held outside the public sector, the commission relies on requesting voluntary disclosure by the individuals or organisations with control of the material. Although voluntary disclosure is not uncommon, increasingly organisations regard themselves as unable to assist the CCRC as a result of statutory restrictions on the disclosure of information. Even where voluntary disclosure is made, that will often be after protracted negotiations have caused lengthy and expensive delays in the case review process.

One such example is with solicitors firms, which one would have thought would be among the most co-operative of sources. However, that is not always so. In the past the commission has seen a good level of co-operation in respect of its requests for case files from solicitors who represented applicants at trial and/or on appeal. In part, that co-operation has been thanks to the relevant professional codes of conduct. In more recent times, however, and perhaps owing to increasing pressures on legally aided defence firms, the commission has faced greater difficulties. It is often readily apparent that requests from the commission are placed at the bottom of a solicitor's list of priorities. On occasion the commission has also been forced to enter protracted negotiations about who bears the cost of transferring the materials in question. The commission tends to encounter four typical situations that, as a result of its lack of power in relation to the private sector, operate to the applicant's disadvantage. These are, first, the inability to obtain information from a private individual; secondly, the inability to obtain information from a private sector organisation; thirdly, partial information is provided, or a summary of information, which the commission is not in a position to scrutinise or verify; and fourthly, the information sought is obtained, but protracted negotiations with the private sector create lengthy delays in the case review process.

In the brief time remaining to me this afternoon, I shall deal with concerns expressed to me by Members and offer them reassurance. On privacy, I want to address up front one of the principal concerns that Members may have about the extension of the powers—the concern that the proposed power will be an intrusion into the lives of private individuals. Although consent and privacy are to be valued, where information, even of a personal or distressing nature, could make the difference between a person's incarceration or freedom, it is right that the information should be requested, subject to due process and provision of strict safeguards.

Members should know that there are significant safeguards in place, as I said to my hon. Friend the Member for Dudley South when he intervened. The Bill provides for judicial oversight of the process. The CCRC could compel a private individual or organisation to provide material only by order of the court. All the same safeguards that currently operate in relation to section 17 disclosures would also apply, and the commission agrees that such a process would be appropriate. The main safeguard against improper intrusion is judicial oversight. As specified in clause 1(1), a person will only be obliged to provide the CCRC with that information subject to the order of a Crown Court judge.

A second area of foreseeable objection is cost. Although the Bill has no financial implications, and will not impose any financial costs or charges directly on the CCRC or private bodies, Members may be asking themselves whether the new power could place an unjustified financial burden on private companies—for example, will the power be damaging for small businesses? The best answer to this question is to look at the equivalent power as it operates in Scotland. The Scottish commission advises that there has been only one case in 15 years where a request to inspect material had led to contested proceedings in court.

Let me recap the main reasons why I believe the Bill deserves the support of the House today. First, this important power to request privately held information is currently lacking and hampering the important work of the Criminal Cases Review Commission. The limits placed on the CCR by its governing statute can hinder its working practices and limit its ability to help victims who may be factually innocent. The chairman of the CCRC, Richard Foster, has said on the record that he is

[William Wragg]

confident that there have been miscarriages of justice that have gone unremedied because of the lack of this power. It is impossible to tell in retrospect whether the outcomes of any cases would have been different had additional information been made available, but I hope I have made it clear how that gap is a problem that should be fixed going forward.

In addition, this power has been lacking and wanted for a long time. The CCRC has long complained of this weakness and, as I said earlier, the Justice Committee, after a thorough inquiry, said that there has been a failure by successive Governments to right the situation. The time to right it has come. The Bill is the direct implementation of an unambiguous recommendation of the Justice Committee in the previous Parliament. The proposed new powers are supported across the board, as evidenced by the list of sponsors of the Bill.

Finally, we must consider the human aspect in this debate. Although the British system works well for the vast majority of cases, mistakes do occasionally happen. Prisons are not nice places. They are not supposed to be, which is why we use them as a criminal deterrent. However, imagine the compounding of that experience when someone has been convicted of a crime and sent to prison, when they know that they are innocent of that crime. They are victims themselves, and there are countless cases of people wrongly convicted who, due to the psychological pressures of their miscarriages of justice, end up taking their own lives, after protesting their innocence, and sometimes while still locked up in prison.

Members who have heard me speak in the Chamber before will know that, as I am a former teacher with a history degree, they are unlikely to escape without at least one reference to history. It was the great British legal thinker Sir William Blackstone—considered the pre-eminent English scholar of and most authoritative speaker on common law in his day—who said on the matter of miscarriages of justice:

"It is better that ten guilty persons escape, than that one innocent suffer."

I do not quite agree with that sentiment, because I believe that it would be better if both numbers were closer to zero, and the role of our justice system, and the place of the CCRC within it, is to shrink those numbers. However, I think that it is apt to quote US President Jimmy Carter:

"The measure of a society is found in how they treat their weakest and most helpless citizens."

Who is more helpless than those who have been wrongly convicted and failed by our justice system?

1.45 pm

Wayne David (Caerphilly) (Lab): My comments will be brief, because the hon. Member for Hazel Grove (William Wragg) has set out the case for the Bill and its contents very clearly. The Opposition will support this modest but important Bill. I very much hope that the Government will respond positively to what we have heard today and indicate that they will support it.

As the explanatory notes make abundantly clear, the Bill will extend the Criminal Cases Review Commission's power to obtain documents and other material so that it can acquire them from a person who is not employed by or serving in a public body. In other words, it will extend the commission's powers to include private organisations and individuals. As has already been said—it is worth emphasising—this situation already exists in Scotland. As a shadow Scotland Office Minister, I think it is excellent that the House is learning from the good example that has been set in Scotland—almost a case of devolution in reverse, hopefully.

The proposal is particularly important as far as the Forensic Science Service is concerned. The Opposition's view is that the Forensic Science Service was unnecessarily privatised. There was no difficultly when it was a public body, but it is now in the private sector. It is important that the current unnecessary delays and wasted resources are eliminated so that there is a smooth process when it is necessary to access critical information in certain legal cases. That is precisely what the Bill will do.

We have the important report from the Justice Committee, which stated in clear and unambiguous terms that

"it should be a matter of great urgency and priority for the next Government"—

meaning the current Government—

"to bring forward legislation to implement the extension of the CCRC's powers".

I listened carefully to what the hon. Member for Hazel Grove said about his discussions with the CCRC. Again, I very much hope that the Government will take on board its informed professional comments, as well as the hon. Gentleman's. I hope that the Bill will receive Government support and become law in due course. The Opposition will support it.

1.48 pm

James Berry (Kingston and Surbiton) (Con): The rule of law is the bedrock of our society. Relied on at home and aspired to abroad, it is one of the things that defines what it is to live in this great country: to be free under the law. But even in the UK the rule of law can be undermined, and the principal way in which that can happen is through miscarriages of justice. The most famous among them trip off the tongue of any student of criminal law: the Guildford Four, the Birmingham Six, the Maguire Seven and Judith Ward. It is inevitable in a justice system that relies on humans—police officers, prosecutors, judges and juries—that human error and improper motive will creep in. Thankfully, that is rare, but the risk cannot be eliminated in every case.

We maintain the integrity of the justice system as a whole by having a robust system for dealing with miscarriages of justice. There can be no doubt that our Criminal Cases Review Commission does vital work, but it needs tools to do its job, key among which is the power to obtain disclosure. Under section 17 of the Criminal Appeal Act 1995, the commission has the power of disclosure against public bodies. The Bill seeks a modest extension of that power to private bodies and individuals. Quite why private bodies and individuals were not included in section 17 is a mystery. Even to the extent that there were ever a justification for that limitation, it has long ceased to hold good. The exclusion of private bodies is an anomaly that is neither justified nor justifiable today. The Bill promoted by my hon. Friend the Member for Hazel Grove (William Wragg) provides a modest extension to end that anomaly and make sure that the CCRC can, with the consent of a Crown court judge, obtain all the disclosure it needs.

The absence of that power is no imagined difficulty. The briefing note provided by the commission for this debate gives a number of examples of situations where it has not been able to obtain disclosure, and a number of examples of private organisations that it would wish at times to obtain disclosures from. Banks, shops, news agencies, private health clinics, charities, campaign groups and law firms are all private bodies.

Julian Knight: Does my hon. Friend agree that, should this Bill be enacted, its very existence will make it more likely that private companies and individuals will co-operate fully and without delay when they receive a request for information from the CCRC?

James Berry: My hon. Friend is right. The knowledge that the CCRC will obtain a court order if a request for voluntary disclosure is refused will certainly provide encouragement where needed. All the private bodies I have listed may have that one piece of information that will establish that someone serving a prison sentence has been wrongly convicted. The chairman of the CCRC himself has said that

"you can be confident that there are miscarriages of justice that have gone unremedied because of the lack of that power"

to obtain disclosure from private bodies. My hon. Friend the Member for Hazel Grove has promoted this Bill to end that unacceptable situation and I thank him for doing so. The Bill deserves the unanimous support of this House.

1.52 pm

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): Let me start by congratulating my hon. Friend the Member for Hazel Grove (William Wragg) on bringing this important Bill before the House and on his excellent speech. I also thank those other Members who have spoken in support of the Bill, including the hon. Member for Caerphilly (Wayne David), who spoke on behalf of the official Opposition.

The Criminal Cases Review Commission performs a vital function in our justice system. When thinking about criminal justice, we tend to focus on the front end and concerns that the processes involved in bringing criminals to justice and ensuring that victims are properly supported are as effective and efficient as possible. Sometimes we tend not to focus on the times when those processes go wrong—when, for whatever reason, someone is convicted who was, in fact, innocent. The purpose of the CCRC is to ensure that those people have someone to turn to who will thoroughly investigate and consider their case and, if there is a real possibility that their conviction would not be upheld, refer their case to an appeal court. I know that Members will agree with me about the importance of the commission's investigations, and that it should have all the powers it needs to inform them.

The commission's counterpart in Scotland—the Scottish Criminal Cases Review Commission—was established with the power to compel both public and private organisations to provide it with the documents or other material necessary to its investigations. The Bill's provisions would put the CCRC for England, Wales and Northern Ireland in the same position. To avoid confusion, I should point out that the term "person" in the Bill should be read as covering a body of persons corporate or unincorporated. That means that the measure covers all natural and legal companies, including companies and partnerships, except those serving in public bodies.

In practice, when the Scottish commission notifies a private sector body or individual that it wishes to inspect relevant material, a reminder of the statutory power to make an application to court is usually sufficient to secure voluntary compliance. The Scottish commission advised us that there has been only one case in 15 years in which a request to inspect material has led to contested proceedings in court.

Hon. Members may have seen the Justice Committee's 12th report of the last Session, to which colleagues have referred, on its inquiry into the Criminal Cases Review Commission. One of the Committee's most urgent recommendations was that the commission should have the powers that this Bill will give it. It argued:

"The extension of the CCRC's section 17 powers to cover private bodies is urgently necessary and commands universal support."

The absence of a power to obtain material from the private sector has often operated to the disadvantage of applicants to the commission. The problem has become more acute in recent years. The difficulties are best illustrated by some examples from cases that have been reviewed by the commission. The first example relates to a media organisation. Shortly after trial, a newspaper published an interview with a complainant in a rape case. It was important for the commission to establish whether she entered into negotiations to sell her story prior to giving her evidence. It could be argued that the defence was unfairly deprived of an opportunity to cross-examine her regarding her motives for making the allegations. In a case where the conviction rested solely on the complainant's testimony and credibility, this was particularly important. Despite repeated communications with the relevant journalist and the legal department of the newspaper, no response was received and the issue could not be resolved.

The second example involved an organisation in the banking sector. In respect of a serious fraud investigation, considerations of customer confidentiality were cited in response to the commission's requests for information, despite the commission providing assurances about how the information would be handled and disclosed. The assertions made by the applicant could not be proved or disproved.

The third example demonstrates the problem as it relates to companies that have no direct involvement or interest in a case. In a drug importation case, the commission sought timetabling and cargo information from a ferry company. In the event, the company volunteered the information, but the commission could not have compelled it to do so. If the information had not been obtained, the commission's overall decision on the case would have been less robust.

Companies sometimes refuse to provide details of employees. For example, in a murder conviction, the commission contacted a bank to seek the employment details of a former employee, a witness at trial, as the information was directly relevant to the credibility of the employee's testimony at trial. After long correspondence, the police liaison officer for the bank agreed to provide the information requested, although there was no obligation to do so. However, the decision to co-operate with the

[Andrew Selous]

commission was expressed as being only because the employee had left their employment in the bank.

In the past, the commission has seen a good level of co-operation in respect of its requests for case files from solicitors who represented applicants at trial and/or on appeal. Such requests are supported, as necessary, by waivers of legal professional privilege. In part, this level of co-operation has been thanks to the relevant professional codes of conduct that apply to solicitors. However, in more recent times—perhaps owing to pressures on legally aided defence firms—the commission has faced greater difficulties. It is often readily apparent that requests from the commission are placed at the bottom of a solicitor's list of priorities. My hon. Friend the Member for Hazel Grove made that point.

Files held by social services, schools and the NHS have been obtained and examined by the commission under the provisions of section 17 in other cases. However, the complainant in one case under review had been referred to a private sector counselling clinic, and despite lengthy correspondence, access to the private counselling records was denied. The significance of this information in relation to the complainant's credibility and the safety of the applicant's conviction remains unknown.

Charitable bodies such as the Samaritans, ChildLine and the National Society for the Prevention of Cruelty to Children often hold vital information relevant to commission reviews, particularly in cases of intra-family sexual abuse. Such organisations may agree to assist when the consent of the individual concerned is obtained. If consent is not forthcoming, such organisations will generally decline to provide the commission with the information on the basis of confidentiality.

Campaign groups sometimes hold information vital to the progress of a review. In one case, a miscarriages of justice campaign group had gathered witness statements that were of apparent relevance to allegations of police misconduct. The organisation failed to respond to repeated commission requests and the statements were not obtained. The case was referred to the Court of Appeal in any event, but the statements may have provided useful additional support.

It is only right to acknowledge that the overwhelming number of private individuals approached by the commission agree to be interviewed, but some simply refuse to assist. The reasons for refusal are manifold. Some individuals do not wish to be bothered and are indifferent concerning the outcome of the commission's investigations. Some may be hostile to the commission. Some come from gangs and may be reluctant to talk to the commission for fear of reprisals.

A key aspect of the commission's work is the re-examination and retesting of material from crime scenes. With the abolition of the Forensic Science Service, such material will be held by private companies and may not be available to the commission. We therefore need the Bill.

The final example relates to the experts who appear as witnesses at trial. Many of them keep personal notes in addition to their professional notes and reports. Forensic medical examiners may receive information or notes from victims of crime during the course of their examinations. Short reports and second-hand accounts within NHS files are generally provided to the commission as a result of section 17. The original contemporaneous notes of interviews recorded by clinicians are not. That type of information is private rather than public, and the commission therefore cannot require its disclosure. The Bill will change that.

The commission will not simply be able to demand information or documents from private organisations or individuals. The Bill will require it to apply to the Crown court for an order, which will ensure that it can use the power only when a judge agrees it is necessary for the carrying out of its functions. We intend, once the Bill has received Royal Assent, to ask the criminal procedure rule committee to make rules of court that will ensure that, where appropriate, the court holds an inter partes hearing, giving the private organisation or individual the opportunity to make their case as to why disclosure should not be required.

The Government support the Bill because we believe that the provisions are necessary and that the terms of the Bill will ensure that the powers are used appropriately and proportionately. I therefore commend it to the House.

2.2 pm

William Wragg: I thank hon. Members on both sides of the House, my hon. Friend the Minister and the Opposition Front Benchers for their support this afternoon. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time; to stand committed to a Public Bill Committee (Standing Order No. 63).

Assessment of Government Policies (Impact on Families) Bill

Second Reading

2.2 pm

Caroline Ansell (Eastbourne) (Con): I beg to move, That the Bill be now read a Second time.

"Whether it's tackling crime and anti-social behaviour or debt and drug addiction; whether it's dealing with welfare dependency or improving education outcomes—whatever the social issue we want to grasp—the answer should always begin with family."

So said the Prime Minister, and so it is.

As I am following my hon. Friend the Member for Hazel Grove (William Wragg), a former history teacher, I feel that it is incumbent on me, as a former French teacher, to look to Paris, where climate change is being debated. The world needs to recognise that some very necessary changes must be made to safeguard our greatest natural asset for generations to come. I put it to the House that the family is the social fabric of our world and that we, likewise, need to safeguard that social fabric for the next generation and the next.

Why is the family so seminal? It is in the family that we find identity, wellbeing and esteem. It is in the family that we learn right and wrong.

Mr Richard Bacon (South Norfolk) (Con): Hear, hear!

Caroline Ansell: Thank you kindly. It is in the family where we thrive. The family are the best carers, the best nurturers and the best teachers.

I am so proud of my country. We lead the world in so many ways, but one of the ways in which we lead it is a cause of deep disappointment and huge concern to me: internationally, we are fourth in terms of family breakdown. Let us look at the cost of that breakdown to the person and the child who has experienced it. According to the Centre for Social Justice, they are more likely to grow up in poorer housing, leave home at an earlier age, have more behavioural issues, report more depressive symptoms, become sexually active earlier, become pregnant and a parent earlier, leave school with fewer qualifications, and leave school earlier. A conservative estimate of the financial cost—£46 billion, which equates to the entire spend of the Scottish Government—shows us that family breakdown costs and costs. That is why it is so right that family policy has its place.

Under the Prime Minister's leadership, we have seen excellent innovation, with new support for relationships, re-recognition of marriage in the income tax system, shared parental leave, the troubled families initiative, and now a new, ambitious programme around house building—excellent. A particularly important moment in the development of the Government's family policy came in August 2014, when the Prime Minister addressed the relationship summit and announced the introduction of the family test. He said:

"The reality is that in the past the family just hasn't been central to the way government thinks. So you get a whole load of policy decisions which take no account of the family and sometimes make these things worse. Whether it's the benefits system incentivising couples to live apart or penalising those who go out to work—or whether it's excessive bureaucracy preventing loving couples from adopting children with no family at all.

We can't go on having government taking decisions like this which ignore the impact on the family.

I said previously that I wanted to introduce a family test into government. Now that test is being formalised as part of the impact assessment for all domestic policies. Put simply that means every single domestic policy that government comes up with will be examined for its impact on the family."

The Prime Minister's speech was followed in October that year by the inauguration of the family test guidance produced by the Department for Work and Pensions under the sterling leadership of my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith). The family test guidance has now been in place for over a year. It is a milestone, an anniversary—perhaps not a coming of age, but a good point at which we could look at this prism of the family test and its impact on policy.

In that light, a whole host of questions have been put to Departments. They ask the Minister how many of his or her Department's policies have been assessed against the family test and what steps have been taken to publish the outcome of such an assessment. I regret to say that the answers to those questions have been rather limited. In many instances, the response was that the guidance urges only a consideration of publication, and therefore no publication had followed. There have been good examples of the assessment in relation to the Childcare Bill and the Education and Adoption Bill. However, the potential within the family test is as yet unrealised.

Therefore, my Bill looks to give the family test more authority, more influence, and more reach. Clause 1 defines the family test. Clause 2 introduces the central component of the Bill by making it a statutory obligation. Clause 3 applies the test to all Departments. Of particular importance given the perhaps as yet limited understanding of how the test has had an impact, clause 2 requires that the assessment be published.

Clause 4 requires that an assessment be made as to whether the family test should be applied to local government, given that so many of those policy decisions touch on family life. It also makes provision for the Secretary of State, through regulation, to subject any other public body to the family test as they see fit. Clause 5 provides greater clarity on the policy objectives that inform the family test, requiring the establishment of indicators for the Government's work in promoting strong and stable families.

Sir Edward Leigh (Gainsborough) (Con): Nobody supports the family more than me, and my hon. Friend is arguing her case well. How does she avoid this becoming an apple-pie and motherhood Bill? How does she avoid adding more and more regulatory burdens on the Government, as on a Christmas tree? If the Government have any sense at all, surely they will instinctively produce Bills, regulations or whatever, to support the family and the nation. That is good sense and good governance.

Caroline Ansell: I thank my hon. Friend for that fair comment. We do not want to increase regulatory compliance or render this Bill another checklist for Governments and policy makers to establish. The environmental impact assessment might have started out life in the same guise, but it is now inherent to our thinking and therefore second nature to policy makers.

[Caroline Ansell]

I believe it is important to bring this issue to the fore, so that it informs policy makers and is deliberately made explicit in that process. History shows that Bills can have unintended consequences that impact on family stability, so this provision is important.

This is not a pass and fail test; it is more the opportunity to understand what the impact of a policy on families could be. It is a prompt to mitigate potentially negative effects and maximise positive effects, and we want it to be used in a genuine, meaningful and practical way to benefit families. It is not a blunt instrument to criticise policy.

I hope that the Government will welcome this Bill and look on it as a recognition of the work that they have instituted, and as a means to progress that and raise it to a new level. I thank all community groups and organisations that backed the Bill. The list is too stellar and too long for me to do justice to it in the time available, but I thank them for their contributions, and more broadly for everything that they do across their communities and in our country to promote family stability, with everything that means for people's life chances. That is central to everything that family stability means.

I know that we cannot legislate strong families into being, but we can ensure that legislation in no way undermines those families, and only strengthens them. I believe that the future of our society rests on that.

2.13 pm

Pat Glass (North West Durham) (Lab): I congratulate the hon. Member for Eastbourne (Caroline Ansell) on bringing forward this Bill and on calling on the Government to make the family test a statutory requirement when taking account of the impact on families of new laws and policy. If the Bill is passed it will

"require Ministers to carry out an assessment of the impact of Government policies on families by giving statutory effect to the family test; to place a duty on the Secretary of State to make a report on the costs and benefits of requiring local authorities to carry out equivalent tests on their policies; to require the Secretary of State to establish, and make an annual report on, indicators of and targets for the Government's performance in promoting family stability; and for connected purposes."

The family test introduces a family perspective to the policy-making process in England and across Departments. It will ensure that Ministers and Departments identify in advance, and make explicit, the potential impacts of policies on family relationships. We support the family test, but as the hon. Lady said, its implementation varies across Departments. In response to a topical question from my hon. Friend the Member for Stockton North (Alex Cunningham), the Minister for the Cabinet Office and Paymaster General said:

"The family test is routinely applied and considered when all policy is developed. Government policy as a whole has to go through a series of checks".—[*Official Report*, 21 October 2015; Vol. 600, c. 945.]

He said that one of the things the Government do is apply the family test. However, that is not borne out by the evidence.

The hon. Member for Eastbourne said that there are good examples of the family test being used, and she gave the Childcare Bill as one of them. When it was introduced in the Lords, it stated that parents who worked more than eight hours a week would qualify for 30 hours of free childcare. With a sweep of his pen last week, the Chancellor increased the threshold to 16 hours, thereby removing 1.4 million families from eligibility. If that is an example of the family test working well, I would not like to see where it is working badly.

Some training and awareness-raising does appear to have taken place in Departments, but so far no published outcomes have been seen. Relate, the Family and Childcare Trust and the Relationships Foundation have said that it is important that there is a transparent and routine process through which the Government's record on supporting family relationships can be assessed. They say that it should be more than just the sum of multiple family test assessments, and should include reliable and holistic data.

Those organisations, which support the Bill and call for an annual report on the Government's progress in meeting the objectives of the family test, want reliable and holistic measures to be put in place to make assessment possible. They believe that should be possible, and that it should be done on a statutory basis, and we share that aim.

I congratulate the hon. Member for Eastbourne on introducing the Bill, which is a useful step forward. Along with organisations such as Relate, the Family and Childcare Trust, the Relationships Foundation, the Association for Family Therapy, Grandparents Plus, the Professional Association for Childcare and Early Years, Unison, 4Children and many others, the Opposition support the Bill and wish it a fair wind.

2.17 pm

The Minister for Employment (Priti Patel): I thank my hon. Friend the Member for Eastbourne (Caroline Ansell) for her interest in the family test and welcome the focus that the Bill puts on that test and on family stability, both of which are key priorities for the Department and the Government both now and in the future. Although I welcome the spirit in which the Bill has been introduced and some of the comments that have been made, I recommend that the House opposes it for the reasons that I will set out.

Family stability is at the heart of the Government's approach, and families are the foundations of society—not only because, as my hon. Friend highlighted, the estimated cost to Government of family breakdown is as much as £46 billion a year, but because strong and stable families can hugely improve our children's life chances. We know that to build a stronger society we need to support families, and by focusing on the family we can create better outcomes for our children and wider society. We cannot afford to overlook the importance of the family as a basic building block in a successful and stable society.

We know that children who grow up in workless families have much lower life chances than those brought up in working families. As my hon. Friend highlighted, the Prime Minister announced the family test in August 2014, rightly citing his commitment to family stability and recognising its significance in policy development. The Department for Work and Pensions has been working across government to aid the implementation of the test. Although that cross-Whitehall approach will inevitably

take time to embed, the new policy's impact on family functioning and stability is being measured. We are starting to see its impact on early policy development, which we believe will have positive ramifications and outcomes for families in future.

Mr Christopher Chope (Christchurch) (Con): How does the test apply to the policy on stamp duty penalties that the Chancellor announced in the autumn statement? That policy means that a married couple will be penalised if they buy a second home, but a cohabiting couple will be able to buy two homes without any penalty.

Priti Patel: My hon. Friend raises important points. In the autumn statement, the Chancellor highlighted what more he is doing to enable families to get on to the housing ladder. Housing contributes to a stable foundation in family life, particularly for young families who are starting out.

Sir Edward Leigh: The Minister mentions young families. Young families must be able to have a choice. If a young mother wants to stay at home to look after her young children, which is entirely natural, the family often suffers under the tax and benefit system. That is why we brought in the marriage tax allowance. Will she confirm that, although the allowance is quite low at the moment, the Treasury is open-minded about increasing it gradually over the years and making it more effective? That will not just save marriages, but help people who are married and bringing up young children.

Priti Patel: My hon. Friend raises a very important point. The marriage tax allowance is a good example of the Government's commitment to families. As he says, the Treasury supported the introduction of the policy. It is a good, positive contribution and a step forward in support for families.

Placing the family test on a legislative footing, however, runs the risk of turning the test into a tick-box exercise across Government Departments, when our ambition is to work across government with Departments to embed the benefits of thinking about policy from a family perspective at all stages of policy development, not just complying with legislative requirements.

There are many areas, some of which have been highlighted by my hon. Friends, where the Government are focusing on supporting families, beyond introducing the family test. We mentioned the marriage tax allowance, which will benefit over 4 million couples. We have the ever-expanding troubled families programme, which helps families where no adult in the family is working, children are not attending school, and some family members are involved in crime or antisocial behaviour. The troubled families programme has gone a long way to helping local authorities, stakeholder and third-party community groups, organisations and their partners to develop new ways of working with families to achieve lasting change.

The hon. Member for North West Durham (Pat Glass) mentioned childcare. We are doubling the amount of hours for free childcare to 30 hours for three and four-year-olds. We have committed to childcare support for disadvantaged two-year-olds. The tax-free childcare policy will benefit families with children, and give parents more choice and flexibility with their childcare arrangements.

The proposal to introduce indicators for family stability is being addressed, as my hon. Friend highlighted, through the Government's life chances strategy. The new life chances measures will focus on the number of children in workless households and on the levels of educational attainment. We are so focused on the life chances measures and family stability indicators, because we are no longer committed to chasing what we consider to be arbitrary targets. They were the focus of previous Governments' policies and approach. Our focus is on the root causes of family breakdown—worklessness and poverty—and not just the symptoms.

The Government are committed to introducing a new and strengthened approach to tracking the life chances of Britain's most disadvantaged children. Evidence suggests that frequent and intense child-related poorly resolved inter-parental conflict has terrible and negative outcomes for children. Couples with children experience greater levels of stress during separation. It is that negativity that affects the outcomes of children. For families that separate, evidence suggests that good relationships between parents and positive involvement from both parents in a child's upbringing have long-term beneficial outcomes. These are the areas on which we are focusing.

As I have said, we are clear that strong families give children the best start in life and that good measures can help Government to formulate policy across Departments and drive action where it is most needed. It is worth highlighting where we can work with other Departments. I have already mentioned educational outcomes, and naturally we are working with my right hon. Friend the Education Secretary to raise educational attainment and improve life chances. In this way, we can also tackle areas of social justice and provide support for families or individuals who have experienced debt issues, addiction or alcohol or drug misuse. A combination of those factors can have a negative impact on families and result in family breakdown.

We have also committed to introducing a wider set of non-statutory indicators, including a measure of family stability, and we are engaging with experts in the field, third-party stakeholders, partners and specialist organisations to ensure we strike the right balance and develop policy that is in line with the most up-to-date research and the most robust evidence. We already measure family stability as part of the social justice outcomes framework, which reports the proportion of children living with both birth parents at birth and then every year until they are 16.

We discussed many of these measures, particularly those on life chances, during our deliberations on the Welfare Reform and Work Bill, under which we are introducing two statutory measures—on children in workless households and children's educational attainment—to drive action on improving children's life chances. My right hon. Friend the Secretary of State for Work and Pensions has committed to introducing a life chances strategy setting out indicators on the root causes of child poverty, including family stability, as well as on problem debt and addiction.

I have touched on many areas in which the Government are supporting families. My hon. Friend the Member for Eastbourne spoke about relationship support and the impact of family breakdown. In the last five years, the Government have invested about £38 million in relationship support services, but this is increasing, and

[Priti Patel]

we are investing about £8 million in relationship support provision in the 2015-16 fiscal year to provide support for couples and parents and to encourage the take-up of face-to-face, telephone and online relationship support services.

The marriage tax allowance, which my hon. Friend the Member for Gainsborough (Sir Edward Leigh) mentioned, demonstrates the dynamic nature of Government policy and the way we are working across Departments on family stability to provide the right support, whether for children or parents, including relationship support. We are using existing indicators as well. The NHS—so again working across government—is providing early intervention and education, and we are piloting relationship education in perinatal classes to prepare expectant couples for the changes that having a baby will bring to their relationship.

We are providing guidance and training for health visitors on spotting signs of relationships in distress and how to respond. We have had many debates in the House about the role of health visitors and how we can elaborate on that through the provision of guidance and support for new parents. All new parents recognise the challenges of being a first-time parent. We are testing ways of maximising the role of local authorities in providing family-centred services with a focus on supporting and strengthening couples and co-parenting relationships as well.

My Department has a strong track record and is working actively with local authorities to strengthen the services they provide to couples and co-parents in families by providing extra funding and, importantly, expertise for the 13 local authorities in our local family offer trial. We are exploring ways to expand that approach and encourage local authorities to take that leadership role at a local level in supporting people in the community and promoting greater family—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Monday 7 December.

Business without Debate

FOOTBALL GOVERNANCE (SUPPORTERS' PARTICIPATION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 4 March 2016

NEGLIGENCE AND DAMAGES BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 January 2016.

NO FAULT DIVORCE BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 January 2016.

CONSTITUTIONAL CONVENTION (NO. 2) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March 2016.

MARRIAGE AND CIVIL PARTNERSHIP REGISTRATION (MOTHERS' NAMES) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 January 2016.

HOUSE OF COMMONS (ADMINISTRATION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 January 2016.

OFF-PATENT DRUGS BILL

Resumption of adjourned debate on Question (6 November), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 29 January 2016.

REPRESENTATION OF THE PEOPLE (YOUNG PERSONS' ENFRANCHISEMENT AND EDUCATION) BILL

Resumption of adjourned debate on Question (11 September), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 29 January 2016.

East West Rail

Motion made, and Question proposed, That this House do now adjourn.—*(Sarah Newton.)*

2.32 pm

Iain Stewart (Milton Keynes South) (Con): I am delighted to have secured this debate. My reasons for doing so are to re-emphasise the importance of the east-west rail project to regional and national infrastructure, and to urge my hon. Friend the Minister and his colleagues at the Department for Transport to do all they can to deliver the project as soon as possible in the light of the Hendy review.

Let me first explain the scope of east-west rail. This is not a new line, but a project to restore the old varsity line between Oxford and Cambridge, via Bicester, Milton Keynes and Bedford, with a spur to Aylesbury. Much of the line already exists. Part of it is used as a freight line, part of it already has local services running on it and large parts of the old infrastructure are still in place, if mothballed.

The line was not closed by Beeching, but declined in the 1970s, when it became faster to travel between Oxford and Cambridge by going through London, rather than taking a slow, diesel multiple unit winding its way through such wonderfully named places as Swanbourne, Verney Junction, Claydon, Launton and Wendlebury Halt. East-west rail is not, however, a misty-eyed rail enthusiast's scheme to evocate a bygone age of rail travel, in the style of that wonderful Ealing comedy "The Titfield Thunderbolt". Rather, it is about creating a fast, modern rail link between some of the fastest growing towns and cities in the country and adding a vital link in the nation's strategic transport infrastructure.

The positive case for the east-west rail scheme is currently being refreshed by an independent analyst. I have seen the draft report by Rupert Dyer of Rail Expertise Ltd. His refresh of the evidence for the western section of the project concludes that the new business case continues to produce a strong financial case for the project, with the core scheme delivering a benefit-cost ratio of 4:1 and some of the incremental options delivering much higher results of up to 40:1. The benefits of the project to my constituency and neighbouring constituencies cannot be overestimated.

Dyer's draft report states:

"East-West Rail will open up new travel and employment opportunities in the main conurbations of Oxford, Milton Keynes, Aylesbury and Bedford and communities along the line."

The wider economic benefits have been reviewed and found to have increased significantly since the initial scoping of the project. The Dyer review suggests that the south-east's regional gross domestic product will increase by £135 million per annum with the core scheme and £268 million per annum with the enhanced scheme.

The east-west rail project is vital to improving the transport infrastructure of the area. Many who have ever driven west from Milton Keynes along the A421 and the A34 will know that it can be a very miserable experience. The economic and environmental costs from that congestion should not be underestimated. Without east-west rail, the area will become increasingly congested and that will impair the aspiration to develop the Oxford-Cambridge arc for economic growth.

On the section between Oxford, Aylesbury, Milton Keynes and Bedford, some 120,000 new homes and a similar number of new jobs are planned over the next few years and will be underpinned by the line. In my own area of Milton Keynes, we have some 20,000 housing permissions over the next decade or so. That will underpin our business growth and it will be important for tourism and new housing.

Mr Speaker, in his capacity as the Member for Buckingham, which adjoins my constituency, has pointed out that the Aylesbury Vale district council is currently working on its local plan, which will ultimately require the delivery of over 30,000 new homes by 2033. East-west rail is imperative to support that. Similarly, my hon. Friend the Member for Banbury (Victoria Prentis) has reminded me that 18,500 new jobs and 30,000 new homes are being developed in Bicester in her constituency.

This is not just a transport project; it is essential to delivering other Government policy objectives. I contend that it will help to deliver some of the Government's broader transport objectives. I am not expecting the Minister to comment on this, but if London Heathrow is chosen as the airport for expansion in the south-east, east-west rail will provide a direct rail link from many towns and cities. That will not only enhance the economic case for Heathrow, but help to mitigate concerns about environmental pollution from additional road traffic movements to an expanded Heathrow.

This is important for High Speed 2, too. With the link from Milton Keynes to Aylesbury and then into London, we would create an additional relief line between Milton Keynes and London. Should Euston, in its redevelopment for HS2, require some line closures, that additional relief line would help to link in services in the interim period.

On HS2, which I support, there is a wider political point. Many people in Buckinghamshire object to HS2 because they see no benefit from the project but suffer considerable disruption as a result of it. I have always been strong in arguing that the Government's transport investment is not just about HS2; it is a substantial investment in the classic rail network. It is therefore important to demonstrate to people in Buckinghamshire that we are going to deliver this project as soon as possible, so that they, too, can see the benefits of investment in our infrastructure.

The line will also increase the nation's capacity to transport goods by freight, which we all want to see, both on a north-south line and going east to west. My hon. Friend the Member for Bedford (Richard Fuller) has asked me to urge that, although we are talking about the western section today, hopefully, we will see progress on restoring the line between Bedford and Cambridge as soon as possible and that will follow in later control periods.

My final point on the wider transport infrastructure is that this project will be a key element of passenger connectivity across the whole network. Some 41 of the 46 principal towns and cities in this country will be directly connected by rail, either without a change or with just one change of train. That will be a long-term sustainable improvement in our rail infrastructure across the country.

There are enormous benefits from the scheme—both locally and nationally. I welcome the significant progress already made in delivering the project. Indeed, the first

[Iain Stewart]

section has already been opened: my right hon. Friend the Prime Minister opened the Oxford to Bicester section a few weeks ago. The new chord to the Chiltern main line allows an additional service from Oxford to London.

It was announced today that Network Rail had appointed its partners to deliver the next phase of the scheme. An alliance of four equal partners—Network Rail, Atkins, Laing O'Rourke and VolkerRail—will construct phase 2, linking Bicester and Aylesbury to Bletchley and Bedford. The alliance is currently working on the outline design and construction programme. Once that initial segment of the work is complete, the alliance will consult with the Department to agree on a final design and construction timetable and costs. It aims to submit an application for an order under the Transport and Works Act 1992 in the autumn of next year.

However, despite that welcome progress, a number of concerns have been expressed recently about some slippage in the timetable as a result of Sir Peter Hendy's review of Network Rail's control period 5 investment programme. I do not intend to rehearse the arguments about that review, but I support it as a way of ensuring that the Government's record investment in our railways is delivered in a robust and achievable way. That said, I do not want a well-advanced, deliverable and vital project to suffer undue collateral delays as a result of overruns elsewhere in Network Rail's programme.

It was feared that this project, which was initially due to be operational by early 2019, might be delayed by between three and seven years, but I understand from conversations that I have had with Ministers and the East West Rail consortium that that worst-case fear will not be realised. I welcome the assurances that I have received from the Chancellor of the Exchequer, the Secretary of State for Transport and the Rail Minister that east-west rail will happen. I also welcome the assurance in Sir Peter Hendy's report that significant development of east-west rail will happen in control period 5. What I seek today is an assurance that the Department will do all that it can to ensure that construction of the project can start in CP5, and will be completed as early as possible in CP6.

My understanding is that there is a very healthy and positive working relationship between Network Rail and the East West Rail consortium. The Network Rail delivery team is among the best that it has. I suggest to the Minister that, if its members can be unleashed as much as possible and are able to respond as positively as possible to the offers from the consortium, the project can be accelerated as much as possible. If there are concerns about the capacity of Network Rail to deliver all its envisaged programme within the timescale that is envisaged, I would ask whether it would not seem odd if one of the best teams, working on one of the most beneficial projects, was unduly delayed because of slippage in projects elsewhere.

I hope that I have demonstrated the value of the project to my local area, to the wider region, to the Department's strategic transport priorities, and to the Government's wider objectives. I urge the Minister to do all that he can to encourage and facilitate all the players in the scheme to get on with the job as quickly as possible, so that we may all reap the benefits as quickly as possible.

2.43 pm

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): I congratulate my hon. Friend the Member for Milton Keynes South (Iain Stewart) on securing the debate. I share his enthusiasm for east-west rail, and very much want it to become a reality.

East-west rail is a transformational project to rebuild the railway between Oxford in the west and Bedford in the east. It will also connect Aylesbury with Milton Keynes. Part of the project will use disused railway routes, and part of it will upgrade or double-track lightly used or mothballed sections of railway. It is a missing part of the railway jigsaw connecting the great western, west coast and midland main lines.

The project is being built in two parts. Phase 1, between Bicester and Oxford, is being built as I speak; phase 2, between Bicester and Bedford, is being developed. Trains operated by Chiltern Railways started running on the first part of the railway on 25 October, with two train services an hour from London Marylebone to the brand-new station at Oxford Parkway. Two stations have been completely rebuilt, at Bicester Village and Islip.

That was the first new rail link between a major British city and London in over 100 years. Together with Chiltern Railways, we have invested over £320 million in east- west rail phase 1, and in September 2016, when the infrastructure works west of Oxford Parkway have been finished, services on this route will be extended into the centre of Oxford, where it will connect with the Great Western main line.

Phase 2 of east-west rail will connect Oxford and the Great Western main line with Bletchley, the west coast main line with Aylesbury and the Chiltern main line and Bedford for the Midland main line. It will allow faster journeys between these locations than is possible by car today. It will stimulate economic development and new housing across the region. The project includes a new station at Winslow and new platforms at Bletchley.

This project is complex and challenging. In particular a lot of work is needed to the structures, such as bridges, and earthworks along the route. As part of the project we expect Network Rail to do the following: build or renovate 18 bridges over the railway; modify or close over 75 level crossings; and build 22 new footbridges and subways across the railway.

The new railway will be capable of operating at 100 miles an hour. It will also be electrified, enabling faster, lighter and greener electric passenger trains to run. As well as providing a new route for passenger trains, east-west rail will provide a corridor for rail freight.

East-west rail is a challenging and ambitious project. Network Rail's current cost estimate for phase 2 is high. We want to reduce this cost as plans mature and scope options are looked at in more detail, taking the risk out of the scheme. None the less, I would like to reaffirm the Government's commitment to delivering east-west rail.

These are challenging times for the rail industry. In June, my right hon. Friend the Secretary of State for Transport announced that important aspects of Network Rail's investment programme were costing more and taking longer. He announced the steps he was taking to put things right. On 25 November my right hon. Friend the Chancellor of the Exchequer reaffirmed the Government's commitment to Britain's vital transport network as part of our wider spending plans.

Sir Peter Hendy's report on delivering the rail investment strategy was published at the same time. The Secretary of State has accepted Sir Peter's report, subject to a short period of consultation with stakeholders, such as the East West Rail consortium. No infrastructure schemes have been cancelled. Electrification of the TransPennine and midland main line has already resumed following a brief pause. The Government have confirmed their commitment to delivering east-west rail. Work on this has continued without interruption while Sir Peter's review has been carried out.

We included this project in our 2012 rail investment strategy following the convincing case put forward by the East West Rail consortium of local authorities. One of the strengths of this project has been the close working relationship we have had with the consortium and the help and support it has been able to provide. I am pleased that the consortium has been able to play its part in the development of the delivery plans and welcome its continued support in the future.

Following Sir Peter's review, funding has been identified in control period 5 to continue development of east-west rail and secure the necessary planning powers to enable the project to be completed. Network Rail is continuing to work on its plans for east-west rail phase 2. It expects to have developed a single option for the scope of east west-rail in a considerable level of detail by late 2016. When this work has been completed, we will be in possession of much better information than we have now. This will enable us to make an informed decision and set out clearly the timescales for delivering east-west rail.

As part of these next steps, I urge my hon. Friend and all the interested local partners such as the East West Rail consortium to continue to help to take the project forward. I thank my hon. Friend for raising this important topic, which I know is of considerable local interest. It is now time for Network Rail to get on with the job and to develop a detailed plan for east-west rail that we can all get behind. As I said at the start, the Government are committed to seeing east-west rail built.

This Government have prioritised infrastructure investment. A 50% uplift in investment compared with the last Parliament demonstrates that we really mean business. Projects such as this are becoming a reality and contributing to the long-term economic plan that got such a resounding endorsement at this year's general election.

Question put and agreed to.

2.49 pm

House adjourned.

Written Statements

Friday 4 December 2015

BUSINESS, INNOVATION AND SKILLS

Foreign Affairs Council: Post-Council Statement

The Minister for Small Business, Industry and Enterprise (Anna Soubry): My noble Friend the Minister of State for Trade and Investment (Lord Maude of Horsham) has today made the following statement.

The EU Foreign Affairs Council (Trade) took place in Brussels on 27 November 2015. I represented the UK on all the issues discussed at the meeting. A summary of those discussions follows.

DDA/WTO - 10th World Trade Organisation Ministerial Conference

On the preparations for the 10th World Trade Organisation ministerial conference,

Commissioner Malmstrom said the prospects for a deal on DDA were challenging. Nonetheless member states united in expressing their ongoing support for the multilateral system.

I, supported by a number of other member states, pushed in particular for progress on the information technology agreement and environmental goods agreement—two key plurilaterals agreements that could be concluded in the near future.

Free Trade Agreements:

TTIP

Commissioner Malmstrom reported positive progress from the last round in several areas, most notably the exchange on tariff offers at 97% liberalisation. However, progress was slower in areas such as GIs, public procurement and technical barriers to trade.

I shared my view that the Obama administration wanted to conclude TTIP and that to achieve this member states would need to give the Commission maximum flexibility.

Twenty-two other member states spoke, mostly to call for solid progress in the near future.

Mercosur

Commissioner Malmstrom spoke of the pending decision as whether to exchange tariff offers now with Mercosur given that we knew their offer was below the level of ambition the EU had been asking for. The choice would be between exchanging offers at this lower level now, or seek an improved offer but risk a drawn out impasse. The external action service supported an exchange now, noting that Mercosur was the EU's biggest investment partner outside of North America. I, supported by more than half of member states, advocated moving ahead with the 87% offer subject to further progress being made thereafter. The Commissioner concluded that she would speak to the new Government of Argentina before reaching a decision.

Japan

Commissioner Malmstrom said negotiations on Japan were tough, but that she thought a deal could be concluded next year if Japan demonstrated the political will to move on the EU's asks. I, supported by Denmark, expressed my strong support for progress on this important FTA, and pointed to the G7 in May as a potential backstop for conclusion.

Other ASIA

Vietnamese PM Dung would be in Brussels the following week to conclude the ambitious EU- Vietnam FTA. After a lengthy break, Indian and EU Chief Negotiators would meet again in January.

AOB:

Ukraine's DCFTA

During the technical trilateral consultations between the EU, Russia and Ukraine on DCFTA implementation, Russia had not been interested in the EU's suggested practical solutions to Russian concerns. Commissioner Malmstrom stated she would not acquiesce to Russian attempts to broaden the scope of these discussions.

I supported the Commissioner's stance. I currently saw no benefit in enhanced co-operation with the Eurasian Economic Union—one of Russia's requests. The Commissioner agreed.

Steel

Following the 9 November extraordinary competitiveness Council, Italy raised steel proposing further EU action based upon the 'threat of injury'; greater control of trade flows through registration and surveillance; faster use of interim measures: and the use of ex-officio powers to launch cases.

The Commissioner responded that she would continue to raise Chinese overcapacity in the OECD and China steel dialogues. The Commission were open to action on 'threat of injury', and use of registration. This discussion merged with the lunchtime discussion on China. I was clear that we should speed up investigations and in any detailed attempts to modernise trade defence instruments the EU should not row back on the lesser duty rule.

Lunch Discussion - China

In the presence of High Representative/Vice President Mogherini, the discussion focused on the pending decision on granting market economy status (MES) to China.

I stressed that if the EU wanted China to take its international obligations seriously then so must the EU. I also took the opportunity to state that the UK Government's approach on trade defence remained case-by-case.

Council Conclusions

The Council adopted the attached Council conclusions, welcoming the Commission's "Trade for All" strategy published on 14 October 2015. See below.

Annex

Council conclusions, 27 November 2015 on the communication from the Commission of 14 October 2015 on "Trade for All: Towards a more responsible trade and investment policy"

Recalling the European Council conclusions of 7/8 February 2013 and its previous conclusions on trade of 21 November 2014, the Council broadly welcomes the communication

from the Commission of 14 October 2015 on "Trade for All: Towards a more responsible trade and investment policy". The Council takes note of the communication's conclusions and recommendations, which pave the way for an ambitious trade and investment agenda, in line with the EU's external relations and other relevant policies.

The Council remains fully committed to a strong, rules-based multilateral trading system and strongly supports the Commission's ambitious approach in this regard. It supports the further strengthening of the multilateral system, including dispute settlement as one of its central pillars, on the basis of a robust and effective WTO that responds to current and future global trade challenges, and which better reflects the capacities of other WTO members to contribute to the system. A successful WTO ministerial conference (MC10) in Nairobi with concrete, balanced and meaningful outcomes and progress on the remaining issues of the Doha development agenda (DDA) will be important to foster trust and confidence in the multilateral trading system and boost international trade. Following the ratification by the EU of the WTO trade facilitation agreement (TFA), the Council now expects other WTO partners which have not yet done so to fulfil all the required procedural steps without delay, so that companies, in particular in developing countries, can experience the tangible benefits of the TFA as soon as possible. The EU is also committed to exploring ways to make the multilateral trading system work better in the future and is open to considering the addition of new issues to the future trade agenda.

The Council looks forward to swift progress in plurilateral negotiations, including the trade in services agreement (TiSA) and, by MC10, the expansion of the information technology agreement (ITA) and a significant outcome on the environmental goods agreement (EGA). These agreements, and any new plurilateral initiatives among WTO members, should contribute to stronger global trade and to more growth and jobs, and should act as building blocks for future multilateral agreements.

The Council supports the conclusion of ambitious, comprehensive and mutually beneficial bilateral trade and investment agreements and calls on the Commission to work to advance negotiations with the US, Japan and key partners in Latin America, and in the Asia-Pacific region. It welcomes the strong positive results stemming from the implementation of the EU—South Korea free trade agreement, which is the first and most ambitious new generation bilateral trade deal ever implemented by the EU. The Council also welcomes progress achieved in the context of the economic partnership agreements with ACP countries and looks forward to swiftly moving ahead with signature, ratification and implementation of these agreements. Deepening the trade and economic integration of the eastern and southern neighbourhood with the EU should also be pursued, taking into account the different ambitions of partner countries, in order to further develop an area of shared stability, security and prosperity.

The Council welcomes the ambitious programme of future bilateral trade negotiations set out by the Commission in its communication, and underlines the need to consider any decision to open negotiations on a case-by-case basis, taking into account the EU's offensive and defensive interests, broader political context, as well as prioritising those negotiations that will provide most benefit in terms of growth and jobs. Bilateral, regional and plurilateral agreements should complement each other, be transparent, consistent and contribute to a stronger multilateral trading system under WTO rules.

The Council agrees that trade should benefit all, whether consumers, workers or economic operators and be coherent with other EU policies. It stresses the importance of national and European economic, social, environmental and labour market policies to help workers and businesses adjust to the process of continuous change in the global economy, making sure that they enhance their international competitiveness, harness new market opportunities and that the benefits of globalisation are fairly distributed and negative impacts mitigated. The Council underlines that EU trade agreements will not lead to lower levels of consumer, health, environmental or social and labour protection standards, and that any changes to levels of protection can only be upward and need to respect fully Governments' right to regulate.

The worldwide economic shifts outside the EU will require Europe to further tap into the new centres of global growth in order to consolidate economic recovery and create more and better jobs to address continued unemployment, especially among young people, on our continent. Taking into account the EU's interests and specificities, trade agreements should provide equal opportunities across EU member states, regions, including outermost regions and overseas territories of the EU, and all relevant sectors, including industry, agriculture and services. In this context, the Council underlines the need to facilitate and improve the integration of European companies in global value chains, in particular small and medium sized enterprises.

Given the importance of small and medium sized enterprises in the EU, their key role in job creation and their significant contribution to EU trade, the Council stresses the need to cut trading costs for SMEs through streamlining customs procedures, reducing non-tariff barriers and regulatory burdens, and strengthening trade enabling services. Therefore, the Council welcomes the Commission's intention to address these issues through provisions dedicated to SMEs in all trade and investment negotiations, in order to enhance the effective use of trade preferences by SMEs.

As the world's largest exporter of digitally deliverable services, the EU needs an ambitious and pro-active digital trade strategy in order to reap the benefits of digitalisation, in line with the Digital Single Market and relevant policies. This includes addressing new types of trade barriers which European businesses of all sizes face, such as non-transparent rules, undue Government interference, and unjustified data localisation and data storage requirements. The Council stresses the need to create a global level playing field in the area of digital trade and strongly supports the Commission's intention to pursue this goal in full compliance with and without prejudice to the EU's data protection and data privacy rules, which are not negotiated in or affected by trade agreements.

The Council recalls that trade in services is becoming all the more important for the EU economy and is closely interlinked with trade in goods. EU trade policy therefore needs to aim at improving market access for both goods and services together, as well as facilitating the mobility of highly skilled service providers and professionals, including recognition of their qualifications. The Council also reiterates that EU trade and investment agreements do not and will not require Governments to privatise any public service, or prevent Governments, at any level, from protecting, supporting or regulating the provision of public services in areas such as water, education, culture, health or social services, nor from expanding the range of services they supply to the public.

The Council underlines that investment, both inward and outward, is essential for Europe's economy and companies to succeed. Regarding investment policy, which is an area of shared competence and responsibility, the Council stresses the need to promote and protect investments, and to maintain a level playing field for all investors. It welcomes the Commission's innovative and ambitious approach to modernise investment protection, and takes note of the transmission of a negotiating text proposal to the United States in this regard. The Council further takes note of the Commission's intention to consider this approach, where appropriate, in other EU trade agreements and to work towards the establishment of a multilateral investment court as a final goal. The Council welcomes the renewed pledge to respect Governments' right to regulate.

The Council underlines the need to seize the benefits of open trade in a spirit of reciprocity and mutual benefit, and taking into account third countries' level of development. Open trade also depends on and benefits from fair and undistorted competition. It is therefore of utmost importance to fight all forms of protectionism by reducing barriers to

trade, including as regards non-tariff trade barriers, ensuring better market access, promoting appropriate investment conditions including as regards investment protection, enforcing and promoting intellectual property rights (including geographical indications, patents, designs, trademarks and copyright), opening up public procurement markets, and securing access to energy, raw materials and components. It encourages the Commission to continue its efforts for market opening, reinforced international regulatory co-operation, raising global standards, as well as tackling trade barriers and unfair trade practices, including through using the full range of EU trade policy instruments. It also supports the Commission in its efforts to ensure compliance and enforcement of WTO rules and the better implementation of the EU's own bilateral trade and investment agreements.

The Council acknowledges that trade policy and a better implementation of the EU's agreements are a joint responsibility of the Commission, member states, the European Parliament and stakeholders, building on an effective co-operation and timely consultations, and welcomes the proposed enhanced partnership for implementation with a view to maximising the benefits stemming from trade and investment agreements. The Council recalls the importance of ensuring the non-discrimination of member states as well as the integrity of the single market when it comes to trade preferences granted by third countries. It welcomes the Commission's intention to improve "ex-ante" impact assessments, to report annually on the implementation of FTAs and to intensify its work on "ex-post" impact evaluations.

A responsible EU trade policy must be accompanied by a high level of transparency and an effective communication with citizens about the benefits and challenges of trade and open markets. The intensification of the debate around the EU's trade policy is an opportunity to better involve all stakeholders in the preparation, negotiation and implementation of our different initiatives in the field. This should respect the existing institutional balance and applicable rules regarding classified information, and not prejudice the EU's negotiating positions or international relations.

Only through an ambitious and responsible trade policy agenda, which takes account of other relevant policies, will the EU be able to shape globalisation and participate in the drawing up of robust international rules in future. The Council is therefore committed to ensuring that trade agreements safeguard the values on which the EU is founded, as well as EU standards and regulatory practices. This includes strengthening measures to support sustainable development and good governance through trade agreements, multi-stakeholder initiatives and beyond, with an emphasis on free, fair and ethical trade, environmental protection, labour rights, decent working conditions, as well as human rights, health and consumer protection, animal welfare, ensuring the protection of cultural diversity and promoting development through trade, including Aid for Trade and the 2030 agenda. The Council attaches great importance to ensuring the inclusion and effective implementation of related provisions in all trade agreements and the generalised system of preferences.

The EU needs to be at the forefront of the fight against corruption and the Council looks forward to the Commission's proposals on how to tackle related issues in trade agreements. Corporate social responsibility and due diligence, in particular regarding global value chains, needs to be increased. The EU will support partner countries, and in particular least developed countries, in taking advantage of responsible global value chains to foster inclusive and sustainable growth, thereby creating jobs and strengthening competitiveness.

[HCWS357]

TREASURY

Financial Services

The Economic Secretary to the Treasury (Harriett Baldwin): Further to the statement provided to the House on 2 June 2015 [HCWS10], the Chancellor has announced that the trading plan to sell part of the Government's shares in Lloyds Banking Group will be extended. We will stop the plan before the launch of the Government's retail sale of Lloyds shares.

The extension of the plan is a further step in returning Lloyds to the private sector and reducing our national debt. A statement will be laid before Parliament with further details at the end of the plan.

[HCWS358]

Asian Infrastructure Investment Bank

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): Yesterday the UK became the seventh member of the AIIB after ratifying the articles of agreement: the first non-regional member, first member of the G7 and first major western country to do so. In order to come into force the articles of agreement need to be ratified by at least 10 countries together holding 50% of the shares. This requirement is expected to be met during December.

In joining the AIIB the UK is demonstrating its support for China's initiative to establish the bank to address the historic shortage of infrastructure investment in Asia. This will support economic growth in the region and drive up living standards. The UK's membership will deepen economic ties with Asia and create opportunities for British businesses.

[HCWS359]

WRITTEN STATEMENTS

Friday 4 December 2015

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