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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**
(HANSARD)

Tuesday 5 January 2016

HER MAJESTY'S GOVERNMENT

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(FORMED BY THE RT HON. DAVID CAMERON, MP, MAY 2015)

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-SIXTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2015]

SIXTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 604

NINTH VOLUME OF SESSION 2015-16

House of Commons

Tuesday 5 January 2016

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Out-of-hospital Care

1. **John Howell** (Henley) (Con): What progress his Department has made on integrating and improving care provided outside hospitals. [902858]

The Minister for Community and Social Care (Alistair Burt): Happy new year, Mr Speaker—and happy new year to the familiar faces opposite in the shadow Cabinet.

The Government are committed to transforming out-of-hospital care for everyone, in every community, by 2020. We have seen excellent progress in areas led by the integration pioneers such as Torbay and Greenwich. The Government remain fully committed to delivering integration through programmes such as the better care fund and the vanguards.

John Howell: Seventy per cent. of people would prefer to die in their own homes, yet we still allow 60% of people to die in hospital. This has to change, as it has in the Netherlands owing to the better social care provided outside hospitals. What message would the Minister

give to clinical commissioning groups, such as mine, which are trying hard to bring this about and to integrate services?

Alistair Burt: I am grateful to my hon. Friend for raising this issue. We share his view: we want to see greater choice in end-of-life care so that people are able to be cared for and die in the place they choose and which is appropriate to their needs, whether that is a hospice, a hospital or their own home. The recent Choice review set out a vision of enabling greater choice at the end of life. I am working with NHS England to see how this can be best achieved and the Government expect to comment on that soon.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Health Secretary recently received a letter from a range of social care organisations and charities panning the spending review offer, saying it

“is not sufficient to resolve the care funding crisis”

and warning of an

“increasing number of older people”

without sufficient support,

“increasing pressure on the NHS.”

Will the Health Secretary finally admit that the offer in the autumn statement is just not good enough?

Alistair Burt: That social care was an important part of the Chancellor's spending review was noted by all. Up to £2 billion will be available through the social care precept—that will be added to council tax—and there is a further £1.5 billion available by 2020, so all in all £3.5 billion will be available by 2020. We all know resources for social care are tight; that is why we need best practice everywhere to make the best use of resources, which many leading authorities are already doing.

David Tredinnick (Bosworth) (Con): As my right hon. Friend considers integrating and improving care outside hospitals, will he discuss with the Secretary of State the medical system in the People's Republic of China, which brings together western medicine, herbal medicine and

acupuncture and which is bearing down on the demand for antibiotics? Before he responds to the Report on the Regulation of Herbal Medicines and Practitioners, will he look very carefully at dispensing arrangements for the small-scale assembly of herbal products, something the Government of the People's Republic of China are very interested in?

Alistair Burt: Herbal products are slightly beyond my normal portfolio remit, but anything that assists in social care and makes people feel better and can add to their vitality and wellbeing is to be welcomed. I am sure in many local areas they are taken extremely seriously.

Jim Shannon (Strangford) (DUP): I thank the Minister for his response. Integration and improving care outside of hospitals is just one way we can revolutionise the health service. Will he outline any links his Department is exploring between reducing pressure on A&Es and using care provision outside of hospitals to facilitate reducing that pressure?

Alistair Burt: Absolutely, and a number of the pilots and pioneer programmes are doing just that. Early results from the living well programme in Penwith in Cornwall show a 49% reduction in non-elective admissions to hospital and a 36% reduction in emergency admissions to hospital. So the hon. Gentleman is right: better social care and better integration may have, and should have, an impact on hospital admissions and make sure people are receiving the most appropriate care in the most appropriate place.

Kevin Foster (Torbay) (Con): I was pleased to hear the Minister's reference to the integrated care organisation that is being created in my constituency. Given the increasing challenge of providing social care to those in the later stages of life, does he agree that this is a model that needs to be looked at, and will he give it as much support as he can?

Alistair Burt: Indeed; the ability to see how these pilot projects respond to the different demographics in different areas enables one area to learn from another. Torbay has come up frequently in this context, and I am pleased to be able to praise it again. While I am on my feet, I should also like to point out that many of those involved in adult social care were greatly affected by the recent flooding in the north of England and that they were looking after vulnerable people and working beyond the front line. That work was very important, and I am grateful to Ray James of the Association of Directors of Adult Social Services and to all those working in local authorities in the affected areas who contributed so well to looking after vulnerable people during that period.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): The report on the appalling failures at Southern Health NHS Foundation Trust highlighted the fact that more than 1,000 unexpected deaths of mental health and learning disability patients, many of which took place outside hospital, had not been investigated. Given that the Health Secretary did not allow the House an opportunity to scrutinise those findings before Christmas, will he or the Minister respond today to the widely held concern that the experience of that NHS trust is not an isolated one? Does the Minister agree that a national public investigation is now needed?

Alistair Burt: The hon. Lady is quite right. As my right hon. Friend the Health Secretary said in relation to that urgent question, this is a wider concern. That is why the Care Quality Commission is looking at the picture of what has happened nationally. These deaths have not been investigated appropriately in the past, and that must change. This Government are determined to change a range of things in relation to mental health and learning disabilities, and this is one area that has been forgotten for too long. It has now been brought to light, and work is being done by the Government.

GP Services

2. **Scott Mann** (North Cornwall) (Con): What progress his Department is making on increasing access to GP services. [902859]

The Secretary of State for Health (Mr Jeremy Hunt): Welcome back, Mr Speaker. As part of our commitment to a seven-day NHS, we want all patients to be able to make routine appointments at their GP surgeries in the evenings and at weekends, and 2,500 out of 8,000 surgeries are currently running schemes to make that possible.

Scott Mann: Many working people are asked to phone their GP surgeries very early in the morning to book appointments, but that is not always convenient when they are going about their day-to-day work. Will my right hon. Friend tell me whether priority will be given at weekends to people who are working during the week?

Mr Hunt: My hon. Friend is absolutely right. That system does not work for people who have to go to work, and we want to make it easier for people to book appointments online or using an app on their phone. We also want to make it easier for people living in rural areas such as his constituency of North Cornwall to have telehealth appointments where appropriate, so that they can see someone without actually having to go to the surgery.

Mr Ben Bradshaw (Exeter) (Lab): Given the increasing difficulty that members of the public are having in getting an appointment with their GP quickly and at a time that is convenient to them, does the Secretary of State believe that his predecessor was wrong when, as one of his first acts, he scrapped Labour's 48-hour GP access guarantee?

Mr Hunt: No I do not, because that had perverse consequences. When that target was in place, the number of people waiting to see a GP increased rather than decreased. In the last Parliament, the number of GPs went up by around 1,600—a 5% increase in the workforce—and we have plans to increase it by 13%, which would be one of the biggest-ever increases in the GP workforce in the history of the NHS, on the back of a strong economy.

Jesse Norman (Hereford and South Herefordshire) (Con): The Secretary of State will be aware from personal experience of the excellent work being done by GPs in Herefordshire, who won one of the first seven-day-a-week

pilots. Can he assure me that this work will continue to be funded, as it is doing an extraordinarily good job in helping my constituents?

Mr Hunt: We are very pleased with the progress that is being made in Herefordshire and in many other areas, and we are looking at how to maintain funding for those areas. Already, 16 million people are benefiting from enhanced access to GPs in the evenings and at weekends, and we would not want to see the clock being turned back on that.

Fiona Mactaggart (Slough) (Lab): Today I received a letter from the chair of Slough's clinical commissioning group, in which he bemoaned the fact that GP practices were making 95% of patient contacts yet receiving only 8% of the NHS's resources. He also claimed that there had been a 30% reduction in GP partners' incomes in the past five years, and said that more and more GPs in Slough were turning to private practice. I have noticed that they are also resisting the creation of new GP practices. What is the Secretary of State doing to ensure that under-doctored areas such as mine get more GPs?

Mr Hunt: First, may I ask the right hon. Lady to congratulate, on my behalf, GPs in Slough, who have benefited from the Prime Minister's challenge fund? Alongside a number of other schemes, it has had a significant impact on reducing emergency admissions in her area. The answer to the point she makes is that we are investing an extra £8 billion in the NHS over the course of this Parliament—it is £10 billion when we include the money going in this year. We have said that we want more of that money to go into general practice, to reverse the historical underfunding of general practice, which I completely agree needs to be reversed.

Hospital Trusts: Deficits

3. **Anna Turley (Redcar) (Lab/Co-op):** What proportion of hospital trusts are in deficit. [902860]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): Three-quarters of trusts are reporting a deficit for the conclusion of the first half of this financial year.

Anna Turley: John Appleby, the chief economist at the independent think tank the King's Fund, said recently that although the Government claim they will get an increase in funding in the NHS, they have "in effect, already spent the money"

because of the scale of the hospital deficits. In my South Tees area, the deficit for 2014-15 is nearly £17 million. Will the Minister accept that the Government have totally lost control of NHS finances?

Ben Gummer: The first point to make is that this Government have provided the money for the NHS that it has asked for—this is money the Opposition refused to say they would pledge at the last election. The second point to make is that Jim Mackey, the new chief executive of NHS Improvement and one of the best chief executives in the NHS, has said that he will help to get hospital trusts in control next year, and that, with the transformation fund announced by my right hon. Friend the Secretary of State, we are confident we will be able to get hospital trusts into balance next year.

Andrew Stephenson (Pendle) (Con): Does the Minister agree that clamping down on expensive temporary agency staff is an important step in helping to sort out the NHS and allowing it to balance the books?

Ben Gummer: My hon. Friend is entirely right, and we are already having an impact. We had to bring in the requirement for safer staffing rotas because of the catastrophe at Mid Staffs and the need to try to staff hospitals better, and that had an immediate consequence which called for agency workers. Unfortunately, some companies have taken advantage of that situation, but we have introduced measures to stop that and are already having an impact across the service.

Paul Farrelly (Newcastle-under-Lyme) (Lab): The University Hospitals of North Midlands NHS Trust faces a deficit of £19 million for 2015-16, but until the NHS's Staffordshire review is completed it faces uncertain prospects further out, not least as it has taken over Stafford county hospital recently. The hospital wrote to the Minister before Christmas, so will he meet hospital management and local MPs as soon as possible this new year to discuss this uncertain situation and the progress on the whole Staffordshire review?

Ben Gummer: I would be happy to meet them, I will meet them and I congratulate them on eliminating 12-hour trolley waits for the first time this year. They are doing a great job in difficult circumstances, as are many hospitals across the country. I am confident that they, too, will be able to get their deficit under control next year, with the help of the transformation fund, which is available for high-performing trusts.

Rare Diseases

4. **Mr David Hanson (Delyn) (Lab):** How many people have diseases classified by his Department as rare. [902861]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): A rare disease is a life-threatening or chronically debilitating disease that affects five people or fewer in 10,000. Research shows that one in 17 people will suffer from a rare disease at some point. In the UK, that equates to approximately 3.5 million people.

Mr Hanson: Same But Different, which is based in my constituency, is concerned about a number of the challenges faced by people with rare diseases. One key issue that it has raised with me is the level of support available at the time of diagnosis, particularly for parents of children with rare diseases. Will the Minister examine how we can signpost better help and support to those who have been diagnosed?

Jane Ellison: I am glad the right hon. Gentleman mentions that point; the House may not be aware that we recently added four new rare diseases to the newborn heel-prick test, which has helped to detect more than 1,400 children with a rare disease. I am disappointed to hear that he feels that some parents had issues with follow-up, and of course we will look into that, but I think he will find that the UK rare diseases strategy, which was published in 2013 and contains 51 commitments from government, covers that. The first report back on

that strategy will take place this spring and it is being done by the UK Rare Disease Forum. I am happy to speak to him afterwards about whether the excellent organisation he names is part of that.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): One such rare disease is Duchenne muscular dystrophy. I am sure the Minister is aware that we are awaiting what we hope will be a positive decision from NHS England on a drug called Translarna, which could help boys with the disease. We were due to have that announcement yesterday. Does she have any further and better particulars on that? Will she update us on when we can expect an announcement, which we hope will be a positive one?

Jane Ellison: I know that my colleague, the Under-Secretary of State for Life Sciences, is working very hard on that matter, and is hoping to make an announcement soon. I am sure that, at that point, he will be able to update my right hon. Friend.

Greg Mulholland (Leeds North West) (LD): With regard to ultra-rare diseases, I will be joining the family of seven-year-old Sam Brown on 23 January to celebrate the funding of Vimizim. I thank all those involved in that decision, including those in the Department. As well as an update on Translarna, can we also have an update on the possibility of funding another drug that we have been campaigning for, which is Everolimus for tuberous sclerosis?

Jane Ellison: I thank the hon. Gentleman for his words, as does my hon. Friend the Under-Secretary of State for Life Sciences. With regard to the matter that he just mentioned, I know that it is something that NHS England is reviewing and it will come forward with a view in due course.

Michael Fabricant (Lichfield) (Con): Will my hon. Friend join me in praising the work of the Institute of Translational Medicine at the University of Birmingham Medical School? It is doing outstanding, world-wide standard work in developing cures and treatments for such rare diseases, and indeed for more common diseases such as cancer.

Jane Ellison: I absolutely join my hon. Friend in that and agree with his very well-deserved words of congratulation. I know that the Under-Secretary of State for Life Sciences has visited the institute and is—as everyone is—hugely impressed with it. I also join my hon. Friend the Member for Lichfield (Michael Fabricant) and others in congratulating Charlie Craddock on his CBE in the new year honours list.

Andrew Gwynne (Denton and Reddish) (Lab): Patients living with rare cancers often have fewer treatments available to them. Often, the only option is to use off-label treatments. The cancer drugs fund has helped patients gain access to those treatments, but, despite a Conservative party manifesto commitment to continue investing in it, the fund is now under threat because of central Government cuts. What assurances will the Minister provide to people living with rare cancers that off-label drugs will still be funded? Will she apologise for the uncertainty that those cuts are causing to the thousands of people who are affected by cancer in England?

Jane Ellison: I certainly do not recognise the shadow Minister's characterisation of the cancer drugs fund. Some £1 billion has been committed to it and it is being reviewed. The fund was introduced by the previous Government, and we are very proud of it. It has made a big difference to the lives of more than 80,000 patients. More widely, the recent cancer taskforce published its report, "Achieving world-class cancer outcomes", and it made many recommendations, which are particularly relevant to rarer cancers and blood cancers, many of which focus on improving access to diagnostic testing.

Mark Pritchard (The Wrekin) (Con): Of the 7% of the population that will suffer at some point in their life from a rare disease, 75% are children. Unfortunately, 30% of those will not reach their fifth birthday. What more can be done for Great Ormond Street hospital and for Birmingham children's hospital, which do such excellent work?

Jane Ellison: My hon. Friend is quite right to highlight the number of people who will be affected by such diseases. There are between 6,000 and 8,000 rare diseases. Among the things that the Government are doing that will make a really big difference to some of the institutions that he mentioned and others, and particularly to sufferers, is the 100,000 genomes project, in which the Government have invested. The creation of a network of genetic medicine centres will underpin that further development of genetic testing services. As a very large proportion of rare diseases are genetically based, we want to make significant progress with that genomic work.

Social Care Budgets: A&E Attendance

5. **Christian Matheson** (City of Chester) (Lab): What assessment he has made of the effect of changes to social care budgets on A&E attendances. [902862]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Our health and care system is under extraordinary rising demand from an ageing society. There are a million more pensioners this year than there were at the beginning of the previous Parliament, and there will be another million by the end of this Parliament. The number of adults needing care in the next 10 years will rise from 180,000 to 264,000. That is why integration of health and care is so important, and it is why I am delighted that my right hon. Friend the Chancellor announced in the autumn statement £3.5 billion for social care by 2020 through the new adult precept and extra funding for the NHS five-year forward view.

Christian Matheson: In any given week at the Countess of Chester hospital, 70-plus elderly patients pitch up and cannot be discharged because care is not available elsewhere. We know that the Government broke their promise before the election to sort out funding for long-term care, and the King's Fund recently said that the settlement to which the Minister refers will put

"even more pressure on ... the NHS to pick up the pieces when there's a breakdown in ... care".

Will the Minister now accept that that continuing neglect and those broken promises are the key cause of the crisis in our A&E departments?

George Freeman: Well—happy new year! Only Labour could take a £3.5 billion commitment to fund social care as “more pressure”. We are leading the way in integration—not before time, after 14 years in which Labour did nothing. We are leading the way on integration and putting in the extra money. I am delighted to say that, through the £3.8 billion for this coming year and the £10 billion funding for the NHS Five Year Forward View for transformation, it is the Conservative party that is investing in a 21st-century NHS. Labour seems to want to take us back to “Call the Midwife”.

Andrew Bridgen (North West Leicestershire) (Con): Does my hon. Friend agree that it is an important step to devolve powers to local authorities, as they are best placed to commission care services for local populations?

George Freeman: My hon. Friend makes an excellent point. The key is, of course, more funding and more integration, but crucially more local leadership too, and we are actively making it easier through the devolution programme for local authorities and local health leaders to plan the integrated services that are appropriate for their area. Not all areas are the same.

17. [902874] **Jenny Chapman** (Darlington) (Lab): Having listened to what the Minister has to say, people in my constituency will be disbelieving. The number of days that patients are stuck in hospital, not because they are sick but because there is nowhere to move them, has doubled under his Government. He has to acknowledge that that is due to the neglect of local government and adult social care specifically.

George Freeman: It is true that in different areas there are different pressures. In my own area of Norfolk there are pressures. Let me remind the hon. Lady that A&E spending has gone up dramatically over the past decade, from £900 million in 2001 to £2.4 billion. The early evidence from the better care fund, which we launched only this year to tackle this very issue, is 85,000 fewer delayed transfers, 12,000 more older people at home within three months of discharge, and nearly 3,000 people supported to live independently. Through more funding, greater freedoms and local devolution, we are supporting health leaders and council leaders to bring together health and care.

David T. C. Davies (Monmouth) (Con): Despite the pressures, is it not excellent that 95% of patients who present at A&E in England are seen within the target time, unlike in Wales, where the figure is only 81%, as a result of the fact that the NHS is run by members of the Labour party?

George Freeman: My hon. Friend makes an excellent point. We hear very little from the Labour party about Wales, where it is responsible for the health service, and an awful lot of questions about England, where fortunately it is not responsible. If we want to get pressure on A&E down, we need to integrate and invest as we are doing in prevention and in keeping people out of unnecessary A&E admission.

23. [902881] **Norman Lamb** (North Norfolk) (LD): The Health Foundation estimates that the gap in social care funding by 2020 will be £6 billion, not taking into

account the increase in the minimum wage, so although the spending review narrows the gap, it still leaves an enormous gap which will result in further cuts in social care. How will the Government avoid the totally unacceptable situation in which those with money will still get good care and those without money will get substandard care or no care at all?

George Freeman: I pay tribute to the right hon. Gentleman. He is a Norfolk colleague and as Minister did a lot of work in this area. He raises an important point that as a society we need to think profoundly about how we integrate health and social care. As I say, the Government have made a £3.5 billion commitment from the new precept and the better care fund is a significant commitment, but he is right—we will have to go further. Through the devolution programme and the integration programme, we will have to develop more powers so that local health leaders and care council leaders can better integrate services to reduce unnecessary pressure.

Dr Philippa Whitford (Central Ayrshire) (SNP): In Scotland, A&E performance is published weekly, but since June that in England has been published only every month and now after a six-week delay. Since that time, the performance in Scotland has risen and 96% of people were seen within four hours in Christmas week, which is a huge challenge, whereas the last data published for England were for October and show a figure below 90%. Do the Minister and the Secretary of State accept that to improve performance we need to return to more timeous and frequent analysis and publication?

George Freeman: I share the hon. Lady's interest in data and in proper information. We need to be a little careful about Scottish figures. Over winter, England publishes three times more A&E performance measures than Scotland every week. We publish quality rankings on hospitals, care homes and GP surgeries, which Scotland does not. What we do not hear about in Scotland is A&E closures, A&E diverts, emergency admissions, general and acute beds—I could go on. It is dangerous to compare data that were not prepared on the same basis, but I share the hon. Lady's enthusiasm, as does the Secretary of State, for information.

Dr Whitford: I am aware that the renewed strike call from junior doctors has actually been called in order to meet the new rules created by the Government's own union laws and that negotiations are ongoing. To avoid an impact on hospital waiting times, what will the Secretary of State bring to the negotiating table to try to reassure junior doctors?

George Freeman: I am delighted to be able to announce—the hon. Lady might already have heard this—that the Secretary of State has appointed Sir David Dalton from Salford Royal to lead on that. I repeat the offer that the Secretary of State made this morning: we are very close to an agreement, so the right approach is not to strike, but to come to the table and reach it.

Barbara Keeley (Worsley and Eccles South) (Lab): Three hundred thousand fewer older people have publicly funded care packages than in 2010, and nearly half the current record level of hospital delayed discharges are

due to waiting for a care package, and that will get worse as winter pressures mount. It is risky that the proposed increases in the better care fund are back-loaded; they do not reach £1.5 billion until 2019-20. The social care precept funding is uncertain because it will raise only £1.6 billion by 2020 if every single council decides to raise the maximum possible. Social care is in crisis now. Can the Minister explain why the Government are proposing risky, uncertain and late funding?

George Freeman: This is the most extraordinary welcome for one of the most important announcements in the autumn statement. Having come under pressure to raise more money for social care, the Chancellor and the Secretary of State announced £3.5 billion extra for social care, from the new adult social care precept and the better care fund. The Opposition say that it is not enough and that it will fail, but the data do not support that. If we look at the early data from the better care fund, which was introduced by this Government early last year, we see 85,000 fewer delayed transfers, 12,500 more older people at home within three months of discharge and 3,000 people supported to live independently. We are making real progress.

Hospital Trusts in Special Measures

6. **John Stevenson** (Carlisle) (Con): What progress his Department has made on improving the performance of hospital trusts in special measures. [902863]

The Secretary of State for Health (Mr Jeremy Hunt): Eleven of the 26 hospitals that have been put into special measures have exited that regime because of good clinical progress, the most recent being Morecambe Bay NHS Foundation Trust, which exited in December 2015.

John Stevenson: Given that North Cumbria University Hospitals NHS Trust has been in special measures for two and a half years, that there are now serious concerns about the wider health economy in north Cumbria, and that we have the success regime in place, will the Minister now give a commitment that the Government will ensure that the acquisition of the trust will happen?

Mr Hunt: First, I thank my hon. Friend for the campaigning he does for his local hospital. He knows that I very much support that merger and hope that it will go ahead. It is worth paying tribute to the staff at the trust, who have brought down mortality rates to within the NHS average. The Care Quality Commission says that plans to improve safety are working well. We should celebrate the fact that even the trusts in special measures have hired 700 more doctors and 1,800 more nurses and are making real progress in improving patient safety.

Rob Marris (Wolverhampton South West) (Lab): Private finance initiatives are costly and damaging; they always have been and always will be. Can the Secretary of State tell us what percentage of hospitals in special measures have had significant PFI funding?

Mr Hunt: I can write to the hon. Gentleman with the details, but I can tell him now that the Government inherited £70 billion of PFI debt, which has caused enormous pressure throughout the NHS.

Suella Fernandes (Fareham) (Con): Although Southern Health NHS Foundation Trust is not in special measures, its performance has been criticised in an independent report, particularly in relation to poor investigation of deaths of people with learning disabilities and mental illness. I welcome the Secretary of State's rapid action and his announcement of a CQC inquiry. Will he update the House on the progress of the inquiry and when it is expected to report?

Mr Hunt: The inquiry has only just started, but I thank my hon. Friend for her interest in it. The important conclusion that we have drawn from what happened at Southern Health is that this issue is much broader than one trust. We are not as good as we need to be at investigating unexpected mortality in the NHS. Southern Health is perhaps an extreme example, but the problem is much more widespread. A cultural change is needed, and we are determined to do something about it.

Tim Farron (Westmorland and Lonsdale) (LD): Will the Secretary of State undertake to support Morecambe Bay, the other hospital trust in Cumbria, as it moves out of special measures, by confirming the commitment made by the coalition Government to underwrite the capital costs of a radiotherapy unit at Westmorland general hospital and to support the uplift in tariff needed to sustain that unit?

Mr Hunt: I will happily look into that. I cannot give the hon. Gentleman the answer now, but we would want to do everything we can to support that trust. It has been through a very difficult time and has made huge progress. We want to help it on its way.

Prostate Cancer: Docetaxel

8. **Mr Peter Bone** (Wellingborough) (Con): What his policy is on making docetaxel available as a treatment for prostate cancer. [902865]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Docetaxel is routinely available in England for the treatment of metastatic prostate cancer, where the disease has not responded to hormone treatment. It is not at the moment licensed for use alongside hormone treatment and has not been appraised by the National Institute for Health and Care Excellence for that indication. In the absence of NICE guidance, NHS commissioners are free to make funding decisions on the best available evidence.

Mr Bone: I thank the Minister for stating the current practice. A constituent of mine has prostate cancer. His doctor, consultant and oncologist all say that he would benefit from taking docetaxel, but it is not available in Northamptonshire, although it is available in parts of the rest of the country. He has been told that if he goes down the road to the private hospital, he can have it at £2,700 a cycle. Is that not unacceptable? Should he not get the treatment on the NHS and should he not get refunded the monies paid for private treatment?

George Freeman: I congratulate my hon. Friend on being a diligent advocate for his constituent Mr Vann. I am delighted to tell him that the result of the STAMPEDE clinical trial has now been published. Today NICE is

publishing an evidence review. NHS England will shortly be publishing its interim commissioning policy based on that evidence. That is very encouraging.

Wi-fi in Hospitals

9. Daniel Kawczynski (Shrewsbury and Atcham) (Con): What assessment his Department has made of the need for wi-fi infrastructure in hospitals to facilitate use of developing healthcare technologies. [902866]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Digitalisation of healthcare is absolutely essential for the 21st-century NHS—for individual care, for system performance and safety, and for research. Wi-fi is an important part of that, with benefits for doctors, nurses, hospital management and patients. That is why I am delighted that my right hon. Friend the Secretary of State secured the necessary funding in the comprehensive spending review to fund fully the NHS's plans for digitalisation and transformation. We have announced that we are implementing Baroness Martha Lane Fox's recommendation of free wi-fi in all NHS hospitals.

Daniel Kawczynski: I am grateful for that answer. The new chief executive of the Royal Shrewsbury hospital informed me that people can receive wi-fi in only half of the hospital area. Can the Minister give me an assurance that everything will be done to ensure that wi-fi is available throughout the Royal Shrewsbury hospital?

George Freeman: That is an important point. It is up to each hospital to implement digitalisation in its own way, but we are putting in place a series of steps to make sure that all parts of the NHS are supported and encouraged in the drive for delivery of a paperless NHS by 2020. In the new year, we are requiring the clinical commissioning group digital index, which will measure the digitalisation of all health economies, and we are launching a review of best practice. We are absolutely committed to driving digitalisation so that the 21st-century NHS is not running on paper and cardboard.

Rural Healthcare Strategy

10. Anne Marie Morris (Newton Abbot) (Con): What plans he has to publish a rural healthcare strategy. [902867]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): The "Five Year Forward View" published by NHS England sets out the healthcare strategy for the whole of England, including rural areas. Rural areas have their own health needs, which should be taken into account in planning and developing healthcare systems.

Anne Marie Morris: What specific research has the Minister undertaken in order to understand, and what steps has he taken to address, the very different needs and costs of rural communities in the south-west, which has disproportionately high numbers of over 85-year-olds and population distributions that make inflexible multi-speciality community providers and primary and acute care configurations unattainable?

Ben Gummer: The "Five Year Forward View", written by Simon Stevens, takes particular account of rural areas, but of course not all rural areas are the same. It is

down to clinical commissioning groups to judge the needs of their local areas and make sure that they are reflecting the specific circumstances in which they find themselves.

Non-invasive Pre-natal Treatments

11. Tulip Siddiq (Hampstead and Kilburn) (Lab): What progress his Department has made on expanding access to non-invasive pre-natal treatments in hospitals. [902868]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): Non-invasive pre-natal testing is not currently offered routinely for screening women in pregnancy for Down's syndrome and other trisomy conditions within the NHS. However, it is available to detect genetic changes leading to specific skeletal abnormalities and certain forms of cystic fibrosis. The UK national screening committee has reviewed the case for implementing NIPT as part of the existing foetal anomaly screening programme and will provide its advice shortly.

NIPT is not currently offered for Down's syndrome routinely within the NHS. Some NHS trusts have piloted the test for screening and a number of maternity units offer NIPT privately. NIPT is available through the NHS to detect genetic changes leading to specific skeletal abnormalities and also to detect certain forms of cystic fibrosis.

The UK national screening committee—UK NSC—which advises Ministers and the NHS in the UK about all aspects of screening policy, has reviewed the case for implementing NIPT as part of the existing NHS foetal anomaly screening programme and will provide its advice in the new year.

Tulip Siddiq: At my 12-week scan, I was told that I faced a risk of Down's syndrome in my child. I was given two options. One was an invasive test available on the NHS—the amniocentesis test, which carried a risk of miscarriage. The second was a non-invasive test, which was not available on the NHS and cost £400. Does the Minister agree that the non-invasive test should be rolled out across the country so that mothers, regardless of wealth, can have equal access to screening and do not have to face the unnecessary risk of miscarriage?

Ben Gummer: I thank the hon. Lady for bringing her personal experience to the House, and I hope that all is well. She will understand that screening has to be a non-political matter. That is why we have a specific, clinically led committee to look at whether a screening programme should be implemented. It has been looking at NIPTs over the past year and will be making its decision very shortly. On the principle, though, I completely agree with her; it lies at the foundation of the NHS and we support it.

Clinical Commissioning Group Transformation Plans

12. Philip Davies (Shipley) (Con): What assessment he has made of the adequacy of clinical commissioning group transformation plans in addressing the needs of (a) all vulnerable children, (b) children in the care system, and (c) children who have been abused. [902869]

The Minister for Community and Social Care (Alistair Burt): NHS England has assured local transformation plans that cover all clinical commissioning groups, ensuring that all the plans address the full spectrum of need for all children and young people, including looked-after children and those who have been sexually abused and/or exploited. Further thematic analysis is being carried out, and the results will be made available in March.

Mr Speaker: I think it is a case of wishing the hon. Gentleman a happy birthday.

Philip Davies: Thank you very much, Mr Speaker—much appreciated.

Children who have suffered the trauma of abuse may benefit from a range of therapeutic services, but there is a lack of consistent data about the number of abused children in need of therapeutic support and the number of services available. Can the Minister assure me that as part of plans to transform children's mental health, the needs of abused children will be properly monitored and considered at every level?

Alistair Burt: I am grateful to my hon. Friend not only for his question but for previous questions in relation to this area and his obvious interest and concern about it. He is right. Nationally, the numbers of looked-after and abused children in the new prevalence survey—the first since 2004—would be relatively small. We have therefore asked the statisticians to look at different ways of assessing the data and the numbers so that we can address this issue. I hope to be able to report further on that later in the new year after I have had that meeting.

Nurse Training

13. **Maria Caulfield** (Lewes) (Con): What steps he plans to take to increase the availability of nurse training in the NHS. [902870]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I thank my hon. Friend for asking this question. I can tell her that we have made significant steps. In the past two years, there has been an 11% increase in nurse training places, and I anticipate that that increase will continue this year. We are providing over 23,000 full-time-equivalent additional nurses by 2019. We expect there to be an additional 10,000 nurse training places as a result of the announcements made by my right hon. Friend the Chancellor last year.

Maria Caulfield: Speaking as a nurse, I would struggle to undertake my nurse training given the proposed changes to the bursary scheme. I know that the Minister is working very hard on this, but will he outline what additional routes into nursing are planned to help mature students and those on a low income to gain access to nurse training?

Ben Gummer: My hon. Friend is right to point out that there are different ways into nursing. Just a few weeks ago, we announced a massive expansion in apprenticeships across the NHS, and I anticipate that a significant number will be for those going into nursing. The new post of nursing associate is a vocational route into nursing via an apprenticeship. In addition, our reforms to bursaries will ensure that there is a 25% increase in funding to recipients, bringing it into line with the

rest of the student cohort. That cohort has seen a considerable expansion in the number of students coming from disadvantaged backgrounds as a result of the reforms that we undertook in 2011 and 2012.

Helen Jones (Warrington North) (Lab): Does the Minister accept that his Government's decision to cut nurse training places by 3,000 a year since 2010 has led to the huge shortage of nursing staff in the NHS and an increased reliance on nurses recruited from abroad and expensive agency staff, and that that will get worse with the abolition of bursaries? Is not this a textbook example of a false economy from the Government?

Ben Gummer: The hon. Lady should look at the facts. March 2015 saw a record number of nurses in the NHS—319,595. We are increasing the number of nurse training places. We are able to increase them by considerably more than we could have done otherwise, as a result of the reforms to student finance that bring nurses into line with teachers and other public sector professionals.

Justin Madders (Ellesmere Port and Neston) (Lab): It would be good to hear the Minister concede that it was a bad idea back in 2010 to cut the number of nurse training places. Even today we are still training fewer nurses than we were in 2009. Not only have this Government failed to recruit enough nurses, they have failed to retain them too: last year there was a 12% increase in the number of nurses leaving hospitals. With staff morale already at an all-time low, why does the Minister think it is right that nurses should be burdened with a lifetime of debt to pay for his Government's mistakes?

Ben Gummer: The hon. Gentleman raises a reasonable point about attrition rates: they have remained too high for too long. One of the things we are undertaking at the moment is to talk intensively with universities to see how we can reduce attrition rates. We have had some success in some areas, but I want to see far more. It is important that students stay on their courses as much as possible. Of course, many go into community nursing. I would be prepared to write to the hon. Gentleman about further actions we are taking on attrition rates.

Children and Young People's Mental Health

14. **Amanda Solloway** (Derby North) (Con): What steps his Department is taking to involve young people in plans for improving children and young people's mental health. [902871]

The Minister for Community and Social Care (Alistair Burt): Clinical commissioning groups have produced local transformation plans to transform their local offer for children and young people's mental health. Those plans were decided at local level in collaboration with children, young people and those who care for them. I remember my visit to Derby very well, and I am pleased to say that the NHS in that area has collaborated extremely well with young people to produce those plans.

Amanda Solloway: Last year the Derby youth council ran a consultation on the provision of mental health services in Derby, which highlighted the disparity of services among different trusts. What steps is the Minister

taking to ensure that NHS trusts across the UK offer the same level of support for those suffering from mental health issues?

Alistair Burt: My hon. Friend is absolutely right. I have talked more than once at this Dispatch Box about the variation in performance on different issues around the country. Two or three things will help. On funding and resources, there is a better tracking system to make sure that money that goes into children and young persons' mental health services will be spent appropriately. More money is going into that. Equally, a children and young persons' mental health improvement team is working across the national health service to make sure that those variations are evened out so that good practice in the best areas becomes the practice of all.

Topical Questions

T1. [902883] **John Pugh** (Southport) (LD): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Jeremy Hunt): Yesterday evening the British Medical Association regrettably decided to walk away from the talks on a new junior doctors' contract and announced plans for strike action. We had made significant progress in negotiations on 15 of the 16 areas of concern, including doctors' hours and patient safety, and will now do everything we can to make sure that patients are safe. We promised the British people we would deliver truly seven-day services and, with study after study telling us that hospitals have higher mortality rates than should be expected at weekends, no change is not an option.

John Pugh: I thank the Secretary of State for that response. He will recall the 3 million lives telehealth programme. Since then, it has all gone rather quiet on telehealth. What is the Government's current strategy on telehealth and what pump-priming funding is there for it?

Mr Hunt: I thank the hon. Gentleman for his consistent interest in telehealth. The technology landscape has changed significantly since the 3 million lives programme was launched in 2012. We are absolutely committed to it, but we do not want to isolate a few individuals who we think would particularly benefit from it, because we think everyone could benefit from being able to talk to their GP via video conferencing or whatever. The plans we will announce for technology in the next few months will show how we can roll it out to an even wider audience.

T4. [902886] **Michael Tomlinson** (Mid Dorset and North Poole) (Con): Following the assisted dying debate, will the Department set out what steps it is taking to improve end-of-life care, and will Ministers join me in praising local hospices such as Forest Holme hospice in Poole, which serves my constituents?

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I will certainly join my hon. Friend in praising the work of hospices. It is a unique contribution in the world of healthcare and we should be proud of their efforts. He will know that I have a commitment to end-of-life care and to improving it. I hope shortly to

make announcements in response to last year's NHS Choices review. I have been talking intensively to people from the sector about what might or might not be possible.

Heidi Alexander (Lewisham East) (Lab): It is a sad state of affairs when a new year starts with the prospect of industrial action in the NHS. Nobody wants strikes, not least the junior doctors, but they feel badly let down by a Health Secretary who seems to think that contract negotiations are a game of brinkmanship. When will he admit that changing the definition of unsocial hours and the associated rates of pay for junior doctors is a forerunner to changing a whole load of other NHS staffing contracts to save on the NHS pay bill? That is what all this is really about, isn't it?

Mr Jeremy Hunt: No, it isn't. May I start by wishing the hon. Lady every success in retaining her post in the shadow Cabinet? It would be a shame to lose her, having started to get to know her.

This is a difficult issue to solve, but at least the country knows what the Government are trying to do. The hon. Lady, on the other hand, has spent the last six months avoiding telling the country what she would do about these flawed contracts. Now is her chance. Would she change the junior doctors contract to improve seven-day services for patients—yes or no?

Heidi Alexander: Junior doctors do not need warm words from me, stood at the Opposition Dispatch Box; they need action from the Secretary of State to stop the strikes and give patients the care they deserve.

Not content with alienating one group of staff, the Health Secretary now has another target: student nurses. The disastrous decision in the first half of the last Parliament to cut nurse training places has driven the rise in the agency staff bill. We all know that we need more nurses to be trained, but why should a trainee nurse who spends half their degree caring for patients not receive a bursary? If they are on a ward at 3 o'clock in the morning, why should they be expected to pay for the privilege?

Mr Hunt: The hon. Lady cannot have it both ways. She cannot stand here and criticise cuts in nurse training but oppose the Government's changes that mean we will be able to train 10,000 more nurses over the course of this Parliament. Let me tell her why there are 8,500 more nurses in our hospital wards since I became Health Secretary. It is because of the Francis inquiry into Mid Staffs. It is this Government that recognise the importance of good nursing in our wards. We did not sweep the problems under the carpet. She should give us credit where it is due.

T7. [902889] **Matt Warman** (Boston and Skegness) (Con): In Boston in my constituency, as many as one in four children are classified as obese. Will the Minister reassure me that in the forthcoming obesity strategy, the Government will acknowledge that they are allowing families and, indeed, children the opportunity to take the control of their own lifestyles that will fix this problem, rather than seeking to do it for them?

The Parliamentary Under-Secretary of State for Health (Jane Ellison): My hon. Friend is right that there is a really important role for families. More than anything,

the Government want to make the healthy choice the easy choice for families. However, young children are not in control of the whole of the food environment around them, as I am sure he would acknowledge. The Government's forthcoming strategy is focused on children. Obesity is a complex issue and, frankly, everyone needs to play their part—the Government, local government, health professionals, industry and families.

T2. [902884] **Pat Glass** (North West Durham) (Lab): The Health Secretary just tried to tell us why we have 8,500 more nurses in the NHS. Let me tell him why it is. It is because we have record recruitment from abroad. Since the Chancellor announced the scrapping of bursaries for trainee nurses and midwives, there has been a worrying reduction in the number of applications for next year's training, compared with what we would expect to see at this time of year. That can only have a negative impact on the number of trained nurses from this country and on net migration. Was there any discussion between the Department of Health, the Home Office and the Chancellor before this idiocy was introduced?

Ben Gummer: We have record levels of nurses in training and a record number of nurses in practice because of the decision by my right hon. Friend the Health Secretary to increase nurse training by 11% over the past two years. We can expand that significantly due to our reforms to the funding of nurse training. As regards nurses from abroad, part of the reason we are undertaking this change is so that every putative nurse in this country can have the opportunity of having a nursing position. At the moment, we have to limit those positions because of the funding regime that is in place.

T8. [902890] **Jake Berry** (Rossendale and Darwen) (Con): Will my right hon. Friend join me in paying tribute to the first responders in Rossendale, who support the ambulance service by attending 999 calls to very serious cases, including one involving a friend of mine over Christmas? Will he in particular pay tribute to Brian Pickup, who is stepping down as team leader of the first responders after 11 years of unpaid public service?

The Minister for Community and Social Care (Alistair Burt): I am delighted to do so. First responders have been a valued addition to the frontline of allied health professionals whom we can all support, and I am delighted to pay tribute to Brian for the work that he has done. I am sure that I speak for everyone in the House in saying a warm thank you to all those who have been part of the first responder scheme for the effort they have put in.

T3. [902885] **Helen Hayes** (Dulwich and West Norwood) (Lab): On too many occasions, children in my constituency who need to be admitted to a psychiatric in-patient bed have to wait for more than a day in accident and emergency before a tier 4 bed is found. Too often, available beds are outside London, and sometimes as far away as Nottingham, Glasgow or Southampton. How long does the Minister believe it is acceptable for a child to wait in A&E for a tier 4 child and adolescent mental health services in-patient bed to become available? Does he consider it acceptable for very unwell children to be sent such a long way from home for the treatment and care that they need?

Alistair Burt: In short, no. That is why there has been a drive to find more beds for children and young people who are having a serious crisis, but more support is also going into community services to prevent such crises in the first place. There will always be a need for some specialist beds to be available regionally or nationally, and not everything can be dealt with locally. Where people can be treated locally they should be, and we are working towards that.

T10. [902892] **Mark Garnier** (Wyre Forest) (Con): The Worcestershire Acute Hospitals NHS Trust now finds itself in special measures, and today its chairman has resigned, largely as a result of an over-extensive and highly complex review of clinical services in the county that has so far failed to reach an agreed conclusion. Given the complexity of the review process, and the apparent impossibility of it reaching an agreed conclusion, what steps can the Government take to untie the Gordian knot that created that situation and help the trust to get back on a stable footing?

Ben Gummer: My hon. Friend is right and there is a particularly complex series of circumstances in Worcestershire. I am determined to do something about that, and I want to meet him and his colleagues in the next few days to discuss possible options. I will then discuss those issues in turn with NHS England.

T5. [902887] **Andy McDonald** (Middlesbrough) (Lab): The management at James Cook university hospital in Middlesbrough is seeking to increase nurses' current 30-minute meal break, which they struggle to take, to a compulsory unpaid 60-minute break that will result in nurses effectively working one shift a month unpaid. In their judgment that will do nothing to address the real issues of staff shortages and patient safety, but will merely disadvantage patients and nurses alike. Will the Secretary of State investigate the matter and write to me?

Ben Gummer: I thank the hon. Gentleman for bringing that issue to the attention of the House. All contracts should be governed by the "Agenda for Change" contract, and I would be concerned if there were deviations from that. I would welcome further detail on that so that I can respond to him.

Dr Sarah Wollaston (Totnes) (Con): Nobody wants to return to the days of exhausted junior doctors being forced to work excessive hours, and the Secretary of State will know that that is why junior doctors have expressed concern about the potential impact of removing financial penalties from trusts. Will the Secretary of State set out what has happened during the negotiations to reassure the public and doctors about patient safety?

Mr Jeremy Hunt: I hope I can reassure my hon. Friend, because we have said that we will not remove financial penalties when doctors are asked to work excessive hours. To quote from the letter that I received from the chief negotiator about our offer to the British Medical Association:

"Any fines will be paid to the Guardian at each Trust, allowing them to spend the money on supporting the working conditions or education of doctors in training in the institution."

T6. [902888] **Paul Blomfield** (Sheffield Central) (Lab): Before Christmas the Chancellor pledged to match the charitable fundraising of Great Ormond Street hospital to a maximum of £1.5 million, using money from outside the health budget. The Secretary of State will know that Great Ormond Street is one of only four specialist children's hospital trusts in the UK, and one of the other three is in my constituency. Does he agree that the Government's matched funding should be extended to all four trusts, and will he join me in making that case to the Chancellor?

Mr Hunt: I am happy to look charitably on the wishes of the hon. Gentleman, without, of course, making any guarantees.

Nigel Adams (Selby and Ainsty) (Con): Nicole, the daughter of a constituent of mine, is currently suffering from mental health issues. She has been held in a transparent police cell overnight after self-harming, with drunks on either side, as there are no other facilities available near York. Clearly, police stations are not appropriate places for secure care. What is the Minister doing to ensure that adequate places are available locally, and that police, should they need to become involved, know how to provide a less traumatic experience for mental health patients?

Alistair Burt: My hon. Friend is absolutely right. There has been a 54% reduction in the use of police cells for mental health cases in the past three years. This is being improved by work of the local crisis care concordat. My right hon. Friend the Home Secretary will later this year introduce legislation to prevent children and young people from being held in police cells at all, but the use of police cells has gone down dramatically because of the use of the crisis care concordat. We will continue that process.

T9. [902891] **Martyn Day** (Linlithgow and East Falkirk) (SNP): Yesterday, the Minister's offer to junior doctors had still not dealt with the important issue of weekend working and appropriate compensation. As a result, doctors in England will be forced to strike and the Minister will have damaged the patient safety he claims to value. Instead of attacking consultants and junior doctors, will he follow the example of the Scottish Government and work with the medical profession to help the NHS face the challenges of increased demands and private finance initiative-induced deficits?

Mr Speaker: Project, man, project! We wish to hear the full gist of what the hon. Gentleman has to say to the House.

Mr Jeremy Hunt: We absolutely will work with the medical profession to have proper seven-day services throughout the NHS in England. I hope that the hon. Gentleman and Scotland, which has the same issues with weekend mortality rates, will follow the lead of NHS England.

Mr Robin Walker (Worcester) (Con): May I thank the Minister for his helpful answer to my hon. Friend the Member for Wyre Forest (Mark Garnier)? Further to that question, having recently met the clinical leadership at Worcester Royal hospital, they are adamant that they

want permanent management in place at the hospital. The Care Quality Commission report said that the number of interim directors was one reason why it was put into special measures. Can the Minister reassure me that he will be doing everything he can to put in place permanent long-term management at the Worcestershire Acute Hospitals NHS Trust as quickly as possible?

Ben Gummer: I can assure my hon. Friend of precisely that.

Paula Sherriff (Dewsbury) (Lab): Mid Yorkshire Hospitals NHS Trust is planning to implement a significant reconfiguration plan 12 months earlier than was agreed by the Secretary of State. Dewsbury hospital will be significantly downgraded before infrastructure is in place to ensure that patients still receive vital care safely. Will the Secretary of State meet me to discuss this premature move, which appears to be purely financially driven and not in the best interests of my constituents?

Ben Gummer: I thank the hon. Lady for bringing that issue to the notice of the House. The reconfiguration she mentions is the responsibility of local commissioners, but I am very happy to meet her, and anyone she wishes to bring with her, to discuss the planned changes.

Helen Whately (Faversham and Mid Kent) (Con): My local mental health trust recently reduced its psychiatric liaison cover in A&E and is now considering the level for the coming year. Will my right hon. Friend provide an update on what the Government plan to do to ensure specialist mental health care in A&E?

Alistair Burt: The mental health taskforce will shortly bring forward its recommendations. It will be looking very carefully at what is provided in A&E. It was the subject of the crisis care concordat review by CQC earlier last year. I am looking specifically at psychiatric liaison, because I saw my hon. Friend's written question very recently.

Graham Jones (Hyndburn) (Lab): What demographic impact assessment has the Secretary of State's Department made of the potential withdrawal from the European Union on health and social care, and the consequent result it would have on demands for its services?

Mr Jeremy Hunt: None whatever.

Ben Howlett (Bath) (Con): In the previous Parliament, many people who suffer from a rare disease were pleased with the publication of the Government's rare diseases strategy. What progress is the Minister making on publishing the ultra-rare diseases strategy?

Jane Ellison: I am happy to look into that and get back to my hon. Friend. With regard to the 51 recommendations made in the UK rare diseases strategy, he will be pleased to know that the first report on that will be in spring. I will take up the other issue with him after questions.

Danny Kinahan (South Antrim) (UUP): Health is a devolved matter, but devolved Governments may choose not to spend when it comes to expensive rare diseases and diagnoses. What more can Westminster do to help my constituents?

Jane Ellison: One example, which I am sure the hon. Gentleman will welcome, is the fact that the four UK Health Departments, along with Cancer Research UK, are jointly funding a network of 18 experimental cancer

medicine centres aimed at driving the development and testing of new anti-cancer treatments to deliver benefits for patients, including those with rarer cancers. That is just one example of how we can work together.

Speaker's Statement

3.35 pm

Mr Speaker: I am pleased to be able to announce to the House that, following fair and open competition, Her Majesty the Queen has graciously accepted my recommendation that Mr Mohammed Amal El-Hajji—usually known as Kamal El-Hajji—be appointed to the post of Serjeant at Arms with effect from 1 February. Mr El-Hajji has been Head of Front of House and VIP Relations at the Ministry of Justice since 2010 and has also held a number of administrative and security roles in the Department for Constitutional Affairs and the MOJ since 2001. In addition to being trained in the martial arts and a recipient of the British Empire Medal, Mr El-Hajji will be the first person of a black and minority ethnic background to hold the post of Serjeant at Arms.

EU Council

3.36 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I would like to make a statement on the European Council meeting that took place before Christmas. The Council focused on three issues: migration, terrorism and the UK's renegotiation. I will take each in turn.

First, on migration, even in winter there are still many migrants coming to Europe, with over 3,000 arriving via the eastern Mediterranean route each day. Of course, Britain is not part of the Schengen open border arrangements, and we are not going to be joining; we have our own border controls, and they apply to everyone attempting to enter the UK and every day help to keep us safe. Let me repeat: these controls apply to all, including EU citizens. We have stopped nearly 95,000 people at our borders since 2010, including almost 6,000 EU nationals. These people were not allowed to come in.

What Schengen countries are now trying to put in place is a pale imitation of what we already have. What they do, of course, is a matter for them, but it is in our interests to help our European partners secure their external borders. So we have provided more technical expertise to the European Asylum Support Office than any other European country, including practical assistance to help with the registering and fingerprinting of migrants when they arrive in countries such as Greece and Italy. We have focused on the root causes—not just the consequences—of the migration crisis. That is why we continue to play a leading role in the efforts of the international Syria support group to end the conflict in Syria through a political process and why we have backed the agreement reached recently in Morocco that should pave the way for a new united, national government in Libya. We have deployed HMS Enterprise to go after the people traffickers in the Mediterranean and have provided £1.12 billion in humanitarian assistance for the Syrian conflict—by far the largest commitment of any European country and second only to America. In addition, the donor conference I am hosting next month with Germany, Kuwait, Norway and the United Nations will help further by raising significant new funding to help refugees in the region this year.

The Council focused on implementing the previously agreed measures on refugee resettlement. In Britain, we said we would resettle 20,000 Syrian refugees during this Parliament, taking them directly from the camps, and I can tell the House that, exactly as we promised, over 1,000 Syrian refugees from camps in Turkey, Jordan and Lebanon were resettled here in time for Christmas. These people are now in homes, their children are starting this new year in our schools and they can look forward to building a new life here in Britain.

Many in the House have called for us to take more refugees or to take part in the EU relocation and resettlement schemes. The reality is that we have already done significantly more than most of our EU partners in this regard. The House might be interested to hear the figures: by the time of the December Council, only 208 refugees had been relocated within the EU out of the 160,000 agreed, and in all other member states put together, according to the most recent statistics, just

[*The Prime Minister*]

483 refugees had been resettled from outside the EU under the EU's voluntary resettlement scheme. The point is clear: we said what we would do, and we got on and did it.

Turning to terrorism, the latest appalling video from Daesh is a reminder of its brutality and barbarism. It is desperate stuff from an organisation that hates us not for what we do, but for what we are—a democratic multi-faith, multi-ethnic nation built on tolerance, democracy and respect for human rights. Britain will never be cowed by terror. We will stand up and defend our values and our way of life, and with patience and persistence, we will defeat these extremists and eradicate this evil organisation.

I am sure the whole House will want to join me in paying tribute to the British servicemen and women who have spent this Christmas and new year away from their families. In the last month, RAF aircraft have conducted 82 strikes in Iraq and Syria. In recent weeks, the priority of the international coalition has been supporting the Iraqi security forces' successful recapture of Ramadi, to which our airstrikes made an important contribution. They have also helped Kurdish forces to repel major Daesh counter-attacks in northern Iraq. In Syria, there have been 11 RAF strike missions, 10 against Daesh-controlled oil infrastructure and one against Daesh terrorists near Raqqa. We continue to fly intelligence, surveillance and reconnaissance missions, providing vital support to our other coalition partners.

As for the discussion at the Council, we now have a clear agreement on rules to share passenger name records. This is a vital breakthrough, but we still need to go further, so the Council agreed to take forward urgent proposals on more systematic data sharing, on stepping up our co-operation on aviation security and on working together to do even more to starve Daesh of money and resources, choking off the oil and clamping down on firearms and explosives to stop them getting into the hands of terrorists. We also agreed to do more across Europe to counter the extremist propaganda and the poisonous ideology of Islamist extremism that is the root cause of the terrorism that we face. The threat from Daesh is a threat to us all, and we must stand together to defeat it.

Turning to the UK renegotiation. I have set out the four areas where Britain is seeking significant and far-reaching reforms: on sovereignty and subsidiarity, where Britain must not be part of an "ever-closer union" and where we want a greater role for national Parliaments; on competitiveness, where the EU must add to our competitiveness, rather than detract from it, by signing new trade deals, cutting regulation and completing the single market; on fairness for countries inside and outside the eurozone, where the EU must protect the integrity of the single market and ensure there is no disadvantage, discrimination or additional costs for a country like Britain, which is not in the euro and which in my view is never going to join the euro; and on migration, where we need to tackle abuses of the right to free movement, and deliver changes that ensure that our welfare system is not an artificial draw for people to come to Britain.

This is the first time a country has tried to renegotiate its membership of the EU from a standing start. Many doubted it was even possible, but at this Council we had

an entire session focused on this issue, lasting several hours, and with almost every European leader contributing. I am happy to go into detail on what was an extensive discussion, but the key points were these. There was strong support for Britain to stay in the EU. European leaders began their remarks by saying not that Britain is better off in Europe, but that Europe would be better off with Britain staying in it. All wanted to reach an agreement that would address the concerns we have raised. There was extensive discussion of all four areas, and difficulties were raised with all four of them. The most difficult issues were around free movement and welfare.

There was, however, a great deal of good will. At the end of the discussion, the Council agreed—and I quote directly from the conclusions—that we would

"work closely together to find mutually satisfactory solutions in all the four areas".

I think it significant that the conclusions talk about solutions, not compromises, and I made it clear that these solutions would require changes that were legally binding and irreversible. So while each of these areas will require hard work, I believe that there is now a pathway to an agreement.

Later this week, I am continuing my efforts to secure that agreement with further discussions in Germany and Hungary, and I hope we can reach a full agreement when the Council meets again next month. What matters is getting the substance right, not the speed of the deal. If we can see this through and secure these changes, we will succeed in fundamentally changing the UK's relationship with the EU, finally addressing the concerns that the British people have over our membership. If we cannot do that, as I have said before, I rule nothing out.

My intention is that, at the conclusion of the renegotiation, the Government should reach a clear recommendation, and then the referendum will be held. It is the nature of a referendum that it is the people, not the politicians, who decide, and as I indicated before Christmas, there will be a clear Government position, but it will be open to individual Ministers to take a different personal position while remaining part of the Government. Ultimately, it will be for the British people to decide this country's future by voting in or out of a reformed European Union in the referendum that only we promised and that only a Conservative majority Government were able to deliver. I commend this statement to the House.

3.45 pm

Jeremy Corbyn (Islington North) (Lab): I thank the Prime Minister for his statement, a copy of which I received a short time ago. I wish you, Mr Speaker, the Prime Minister and the House a very happy new year. I hope that the Prime Minister will not misinterpret that greeting in any way whatever and will take it in the spirit in which it is meant—[*Interruption.*] Thank you.

Last month, I travelled to Brussels to meet European leaders, including Prime Ministers, to discuss the issues our Prime Minister has raised today. I learnt a lot at that meeting. I learnt that the Prime Minister has botched his negotiations with European leaders. I also learnt that many of our European colleagues have an intuitive understanding of British politics—they know that the Prime Minister has asked for help so that he can win a referendum he never wanted to hold.

Does the Prime Minister now accept that his attempts to bludgeon leaders into accepting his flawed reforms have failed and that he has come back with very little? Can he really be surprised at his failure, when he has not worked with his negotiating partners in Europe, and failed even to turn up when asked for help on the European refugee crisis? To deliver change, you need patient, effective diplomacy and you need to make friends. *[Interruption.]* Indeed we all value our friends. But the Prime Minister is not interested in that; he is more interested in his own party. He is playing politics, rather than putting forward the interests of the people of this country.

Can the Prime Minister now explain whether his Government will have a view on the choice facing the people of this country in the referendum, and how will that be reached and expressed? What has he had to say to Lord Heseltine, who said Britain would become

“a laughing stock across the world”

if the Prime Minister made the announcement he has today? Leaders across Europe can see that the Prime Minister's demands are a bluff, a fig leaf for Conservative party politics. Does he accept that his bluff has now been called?

The Prime Minister said that he wanted to secure more for national parliaments in the EU. It is now clear that he has achieved nothing of any substance on that point. Does he also accept, as experts have warned, that his proposals for reforming migrant benefits are not only likely to be ineffective in reducing any inward migration, but are discriminatory and unfair and likely to be legally challenged? Can he confirm that he has now abandoned those plans altogether? Can he also confirm once and for all that he has dropped his utterly disgraceful plans to weaken what is already weak workers' protection in this country when compared with the workers' protection offered in other European countries?

Essentially, the Prime Minister's proposals are a distraction. The real issue is about delivering a better, more cohesive, more democratic and progressive Europe that promotes security and protection for workers, and delivers investment and a productive economy to support jobs and sustainable growth. That is why in the upcoming referendum we will fight to ensure those things are delivered in the European Union as part of a progressive reform agenda.

I would like to ask the Prime Minister something more about the refugee crisis, and what he is doing to help in this growing humanitarian crisis. First, I want to put on record my thanks to the Royal Navy and all other service personnel working in the Mediterranean trying to save lives. They have done a great job and they have saved a very large number of people who were desperate to cross the Mediterranean and find a place of safety. What funding is Britain offering to assist in the collective effort to deal with the refugee crisis across Europe? There is a very serious crisis in many countries on the borders of Europe, and we also face the present situation in Calais.

Can the Prime Minister confirm that Britain is fully part of, and signed up to, the negotiated political peace process to try to bring about a ceasefire in the Syrian civil war, and is he in a position to update us on anything to do with that?

Does the Prime Minister agree that we now need a pan-European humanitarian relief programme, co-ordinated by the United Nations, to assess the status of all refugees and provide proper refugee support? The Government are simply not going far enough to help those in need. Will the Prime Minister commit himself to accepting at least 20,000 refugees over the next two years, rather than the next five? Will he support calls for Britain to take in 3,000 vulnerable and unaccompanied children who are currently in a quite desperate situation?

Does the Prime Minister not recognise that by isolating Britain from Europe, he is making it more difficult for us to work as partners on all these issues, and that once again he is putting the politics of his own party above the national interest? Will he join me in seeking a more progressive union across Europe which will deliver welfare and security to our workers and our economy, rather than the agenda that he has put before us today?

The Prime Minister: Let me wish the right hon. Gentleman—along with you, Mr Speaker—a very happy new year. Let me also apologise for interrupting what is clearly the longest reshuffle in history. We could have watched the entire run of “Star Wars” movies, but we still do not know who has been seduced to the dark side. There is absolutely no sign of a rebel alliance emerging either: I can see that.

The right hon. Gentleman had the temerity to say that this was a referendum that I did not want. This is a referendum that I put to the British people in a manifesto. It is odd to hear such talk from the right hon. Gentleman, who has a shadow Foreign Secretary whom he does not want.

The right hon. Gentleman asked a number of questions. Let me now answer them. He asked whether the Government would make a clear recommendation. Yes, we will: I said that very clearly in my statement. He asked whether the national Parliament measures were still in place. Yes, they are, and they received a warm reception from a number of other European countries. He asked about welfare benefits. Our four-year proposal remains on the table. I have said that I am very happy to look at alternatives, but I will not take my proposal off the table until I see something equally effective being put forward.

I would just note that at the last election, it was Labour policy to ask people coming to this country to live and work here for several years before claiming benefits. *[Interruption.]* Labour Members can all call out about what a great policy it was, but it has now been abandoned by their leader. Never mind how many Eagles we end up with; I think we have all worked out that they have an albatross at the head of their party. *[Laughter.]*

The right hon. Gentleman asked about refugees. I think he was right to praise the Royal Navy for the work that it does. As for funding, let me make it very clear that we believe the EU can do more, but the EU has a generous budget to which we are a significant contributor. In all our conversations we asked the EU to use its existing budget, knowing that countries like Britain have made huge contributions, outside the EU budget, to the excellent United Nations programmes. If only other EU countries were as generous to those programmes as we have been, we would ease the Syrian refugee crisis by a huge amount. As I said in my statement, we have contributed £1.12 billion.

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The right hon. Gentleman asked whether we were signed up to the Syrian peace process. Yes, we are. We have been one of the leading players behind that process. There was a good meeting in New York in December, but more meetings will be needed to bring about the ceasefires and the political discussions that are necessary. I will keep the House updated on that, as will the Foreign Secretary.

The right hon. Gentleman asked whether we would take more migrants. I think that the 20,000 resettlement is the right number. I stress again that we have gone ahead and delivered what we said we would, which is in stark contrast to many other promises made by other countries. He asked about the issue of the 3,000 orphans. I said in the Syria debate that we would look seriously at that issue, but there are problems. Of course we can think about helping, but we must be careful to ensure that we are not removing people from their wider families. We need to look carefully at those who have tragically lost parents.

Finally, the right hon. Gentleman claimed that somehow we were isolated in Europe, when we are leading the debate on Syria, leading the debate on Libya and leading the debate on security, and I have to say that, after his visit to Brussels, when other Prime Ministers and Presidents were not asking about terrorism or migration or indeed the British negotiation, another question on their lips was, “What on earth has happened to the British Labour party?”

Mr Kenneth Clarke (Rushcliffe) (Con): Does the Prime Minister remain confident that he will obtain a full British opt-out from the ever-closer union commitment, which until recently—in recent years—has been the principal demand of Eurosceptics, who claim to see a threat to the future independence of this country if we stay in the EU? Now that some of our right hon. and hon. Friends are taking an unaccustomed interest in benefit rules, will he confirm that his proposal on the table for a four-year limitation is stimulating a discussion with other countries anxious to take away unnecessary draws to their countries of other EU nationals, to find a solution so that we have coming here only people who will work legally in a way that benefits the British economy?

The Prime Minister: My right hon. and learned Friend makes two very powerful points. First, the ever-closer union does matter, not purely as a symbolic issue, but because it does get used as an interpretation by the European Court and has been one of the things that people feel has driven something of a ratchet in terms of EU law, so it is vital that we are fully carved out of that. He is right as well about benefits. Of course this is a controversial issue in Europe, but other countries share our concerns. Indeed, some of the countries that people are leaving are also concerned about the potential hollowing out of their countries as so many young people in their 20s and 30s leave. My point is simple: Britain has benefited hugely from migration and we should continue to support migration and free movement, but the extra artificial draw that our in-work benefit systems can bring badly needs to be addressed.

Angus Robertson (Moray) (SNP): It is our first day back in Parliament so this is our first opportunity to say that our hearts go out to all around the country who are

suffering from the recent and ongoing flooding. In particular we think of the families who have lost loved ones, and who have endured damage to their homes and their businesses, and we should put on record our appreciation for the response of the emergency services and of neighbours, friends and total strangers who have been making a difference.

The biggest European challenge in 2016 is not the negotiations of the Prime Minister and his position on Cabinet splits, which have been described by Swedish statesman Carl Bildt as “more than bizarre”; the biggest issue for our continent is the refugee crisis, the instability in the middle east and the threat of terrorism. Three EU member states have immigration opt-outs: the UK, the Republic of Ireland and Denmark. But both Ireland and Denmark are part of the EU refugee programme, while the UK has stood aside. Given the overwhelmingly warm welcome and positive humanitarian response in the UK to Syrians fleeing conflict, will the Prime Minister reconsider that position? At least, will he follow the advice of the Select Committee on International Development and help more refugee children, just as the UK did with Jewish children in the past through the Kindertransport?

On the instability in the middle east, how is the Prime Minister going to step up diplomatic support for the Vienna process and help secure a ceasefire in Syria? Does he understand the growing concern about the worrying confrontation involving Saudi Arabia and Iran? Is it not time, however, to do more than just condemn those who behead, crucify and shoot those they disagree with? Is it not time for concrete action by the UK Government?

On European reform, it is an open secret that three of the four demands of the Prime Minister are so limited that they are almost universally uncontroversial. On EU citizens working in the UK, why do we not hear more from the Government about their positive contribution to our communities, public services and the private sector, and the massive tax bonus the UK receives from EU taxpayers living in the UK? Will the Prime Minister confirm that this positive EU bonus massively outweighs any abuses of in-work benefits?

Will the Prime Minister finally—because he has had many opportunities to do this—give a guarantee that if Scotland votes to remain within the EU, it will stay within it? [*Interruption.*] The public at home will hear the groans from the Conservative Benches; the people of Scotland want to know if they will be taken out of the EU against their will. Will the Prime Minister give that guarantee today—he has failed to do it thus far?

The Prime Minister: On the right hon. Gentleman’s last point, Scotland had a referendum on whether to remain part of the United Kingdom, and the former Scottish First Minister, now the right hon. Member for Gordon (Alex Salmond), and I signed the Edinburgh agreement, which said that both sides had to respect the outcome of that referendum. That is the only answer that the right hon. Member for Moray (Angus Robertson) needs.

I join the right hon. Gentleman in paying tribute to the emergency services and the Army for the incredible work they have done during the recent floods. Our hearts go out to all those who have had homes, businesses and shops flooded. Let us also pay tribute to the amazing

spirit of the British people who have come together at Christmastime and made huge sacrifices to help to each other. It is remarkable what those communities have done.

In answer to the right hon. Gentleman's question on the EU refugee programme, we believe that our resettlement programme is better run by ourselves. We have done it well and quickly, and we have brought more people into Britain from Syria than other countries have been able to resettle. We are also able to carry out our own safeguarding checks on those people. I have already answered the question on the 3,000 orphan children, which we are looking at again.

The point that the right hon. Gentleman made about three of the four things we are asking for being uncontentious is simply not true. I encourage him to spend more time talking to European colleagues about just how difficult these things are to achieve. On the issue of the Vienna process, we have a clear view that we condemn and do not support the death penalty wherever it takes place, Saudi Arabia included. On the Vienna process, we have to find a way of trying to get Iran and Saudi Arabia into the room at the same time to negotiate what will happen in a Syrian transition. We have to be clear that that is our greatest priority. Dealing with the Syrian crisis, which is the source of so much of the terror that we face and the source of the migration crisis that is facing Europe, has to be top of mine.

Crispin Blunt (Reigate) (Con): Does the Prime Minister agree that the focus on the success or failure of his renegotiation risks diverting attention from issues of much greater substance, including the implication for Britain's role in the world of the decision to stay or leave, and the costs and benefits to the UK of being part of a free EU labour market, given that the introduction of the living wage will dwarf the effect of any benefit entitlements as a draw for people to come to the United Kingdom?

The Prime Minister: Once this negotiation is complete, people will have to ask the big question about whether Britain is better off inside or outside a reformed European Union. The question will also be about whether we will be safer and more prosperous. I believe that this renegotiation will make a difference on competitiveness, on sovereignty, on the euro and on the issue of migration. People will also be asking the bigger question about whole of the position of Britain in Europe, and what the Government and I are doing is making sure that the choice people face is not between the status quo and leaving altogether but between an important amendment to the status quo and leaving altogether. It is right that we get that right.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Before Christmas, I met 11 and 12-year-olds who were living in the "jungle" in Calais. They are of a similar age to my children and those of the Prime Minister, but they are alone and separated from their parents. They are vulnerable to exploitation and prostitution, as well as to the cold, to bronchitis and to scabies. The longer the Prime Minister looks at this proposal to help 3,000 children, the more of them will simply disappear. The proposal has cross-party support, and I urge him to agree today to work with Save the Children on a plan for Britain to help 3,000 unaccompanied children from across Europe. Just agree to the principle today!

The Prime Minister: We are going to consider this in a very proper way, as I said during the Syria debate, because there are different views among the non-governmental organisations about whether this is the right approach to take. I have said this at the Dispatch Box before. On the question of the people at Calais, we are clear that we will do everything we can to help the French with border security and with helping to process people who are in France, but at the end of the day, people do not have the right to try to break into Britain against our rules. Those people in Calais should be properly processed and dealt with by the French.

Sir William Cash (Stone) (Con): My right hon. Friend has just stated that his package would "require changes" that are "legally binding and irreversible". As there is no treaty change on offer, on what grounds can he legitimately and honestly contend that an international agreement registered at the UN would be legally binding and irreversible, and that voters—this is what matters—could absolutely rely on it when they cast their votes? Will this be a cast-iron guarantee?

The Prime Minister: There have been occasions when countries have voted in referendums, or indeed when we have voted in this House on treaty proposals, before they are adopted and implemented by every other country. What I have said is that we need changes that are legally binding and irreversible, and those are the changes I seek.

Mr Dennis Skinner (Bolsover) (Lab): The Prime Minister said that he ruled "nothing out". If he loses this referendum, will he resign?

The Prime Minister: This referendum is the Government's policy, and the country will decide whether we stay in the European Union or leave the European Union. What I am doing is giving the country the very best choice there can be—by a vital amendment to the status quo—but in the end it will be Britain's choice.

Dr Julian Lewis (New Forest East) (Con): Did the Council discuss how free societies with free media should react to terrorist propaganda? The latest Daesh atrocity video seems to feature a well-known British extremist and a brainwashed child. Does the Prime Minister agree that although the broadcast media seem to have handled this material with appropriate restraint, some of the press, in the pictorial coverage, has been playing into the hands of the terrorist propagandists?

The Prime Minister: First, on what my right hon. Friend says about what Britain is doing in the EU to counter terrorist propaganda, we have taken the expertise that we have built up here and are sharing that with other European countries as we set up some new organisations. It is very important to win this battle of ideas—in some ways it is a battle of ideas, as we faced in the cold war. I am not sure I go all the way with him on what he said about "either television or newspapers". As he said, television media have been responsible. I do not think it would be right to have some sort of blanket ban on showing any parts of these videos. Indeed, showing a part of these videos and just how ghastly and brutal this organisation is, for instance in the way it is using children, reminds everybody, not least those who

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might be tempted by this radical organisation, of just what a sick organisation it is. On the whole, the media have been fairly responsible about this, and I think it is much better to have that form of self-restraint than anything else.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): The Prime Minister said in his statement that in relation to euro and non-euro countries he was looking for “no disadvantage, discrimination or additional costs”. That is a pretty low bar for ambition. Should he not be looking for equality and parity between euro countries and non-euro countries?

The Prime Minister: I think if we have non-discrimination, no disadvantage and no costs, that gives us the parity that we seek. I take people who do not think this is important back to the summer, when eurozone countries looked at using a European fund, to which we were a contributor, to help bail out Greece. To people who think this stuff does not matter, I say it absolutely does matter. It is vital, in order to protect the interests of taxpayers in euro-out countries, that we have these principles clearly written down and implemented.

John Redwood (Wokingham) (Con): What treaty and other changes does the United Kingdom need so that the Prime Minister can implement his extremely popular policy of cutting migration by more than two thirds?

The Prime Minister: What we need to do is address migration from both within the European Union and from outside it; if we look at the figures, we see that at the moment about half is coming from each. I do not want us to get out of the idea of free movement—British citizens benefit from being able to go to live, work and retire in other European countries—but we should be doing something about the artificial draw that our benefits system provides. That is now widely recognised in Europe. As for migration from outside the EU, which is more under our control, we need to take further steps and the Home Secretary has set them out.

Mr Gregory Campbell (East Londonderry) (DUP): The Prime Minister has indicated that the nation must “not be part of an ‘ever-closer union’”. At some point shortly he will agree the date for the people to vote on this issue. What guarantee can he give that if they were to accept his promise that we would never, ever be part of a closer union in Europe, subsequent to that vote Europe would not undermine it and eventually agree to a closer union that he has promised we would not be part of?

The Prime Minister: That is a very good question. What I am seeking is a legally binding and irreversible change that carves Britain out of an ever-closer union. The way that I explain it to my European colleagues is that we do not all want the same destination. There are some countries in Europe that do seek an ever-closer union, but Britain is not one of them. We want to be there for trade and for co-operation. There are many areas where we do share our resources, ideas and even sometimes our sovereignty to get things done, but we do not want to be part of an ever-closer union, and that should be clearly set out, legally binding and irreversible.

Dr Liam Fox (North Somerset) (Con): I completely agree with my right hon. Friend on that point. However, the European Court has never defined “ever-closer union” but it has made reference to it 55 times in judgments since 1999. Legally, how would Britain be exempted from the concept of ever-closer union unless we were exempted from all such judgments—either those that might be made in future or those historic in nature?

The Prime Minister: Clearly, if we have a legally binding and irreversible approach that says that Britain is not part of an ever-closer union then the courts cannot use ever-closer union to provide a ratchet against Britain in future court judgments. It is an important matter. I accept that it is a symbol, but symbols matter in politics. Our politics is full of symbols. A symbol of being outside this ever-closer union speaks to the British belief that we joined a common market and not a political union, but, as I have set out, it does also have a practical application.

Mr Ben Bradshaw (Exeter) (Lab): Given that the Daesh terrorist apparently responsible for the latest disgusting video and the cold-blooded murders in Syria jumped bail in Britain, does the Prime Minister regret his decision to scrap Labour’s control orders?

The Prime Minister: The experts say that the terrorism prevention and investigation measures as amended are every bit as powerful as the control orders that they replace. We must remember that those control orders were, increasingly, knocked down in court decision after court decision. If Members listen to the experts in the security services or the police, they will hear that they are content with the approach that we have.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Given that the Prime Minister has optimistically shared with us his hope that he can reach full agreement when the Council meets at the end of the month, will he also share with us the dates he is considering for this referendum? I think that we would all like to know that.

The Prime Minister: I would love to fill in my right hon. Friend’s diary. Indeed, I would love to fill in my own diary, so that I know when all these things are happening. I cannot guarantee that we will reach agreement in February. The Council agreed that we would try to reach agreement on all four issues in February; so that is the aim. If that is possible, I am keen to get on and hold a referendum. We should not do it precipitately. I have looked at precedents. I note that when Labour held a referendum in 1975, there was only a month between the completion of the legislation and the referendum, which was not enough time. When we had the referendum on the alternative vote in the previous Government that I led, the period was less than three months, which was also not enough. We should be looking for a period longer than that, but, believe me, by the time we get to the end of the referendum campaign, everyone will have had enough of the subject.

John Cryer (Leyton and Wanstead) (Lab): The Prime Minister made only one very brief mention of the principle of free movement in his original statement. Does that mean that he has completely abandoned any negotiations on free movement, or is the subject still on the table? If it is still on the table, what changes is he looking for?

The Prime Minister: Let me be clear: I support the principle of free movement whereby people in the European Union can travel to different countries, live and work in those countries and retire in those countries if they can support themselves. We have problems with two areas. One is the abuse whereby people have used the free movement legislation to bring criminals to the United Kingdom and the other is where they take part in immigration practices that are against our rules. Those abuses need to be dealt with. As I have said, our welfare system has provided an unnatural draw to the UK and we need to further control immigration inside the EU by addressing that problem.

Sir Edward Leigh (Gainsborough) (Con): Before people cavil too much, let us pause for a moment to remember that it is only because this Prime Minister is in place, backed by all of us, that we got this referendum at all. When my right hon. Friend was having discussions with his colleagues, was there any recognition of the fact that if any of us turned up in Warsaw, we would not be entitled to benefits for years because Poland has a contributory system, and the EU is about free movement of workers, not benefit seekers? Has there been any discussion in Government of our moving to a contributory system in order to resolve this issue?

The Prime Minister: My hon. Friend makes a very good point. One of the reasons that the problem of the draw of our welfare system arises is that unlike many other European countries we have a system to which there is immediate access. People who go to live in some other European countries would have to pay in and contribute for many years before getting their benefits. I am open to all sorts of suggestions, including the one that my hon. Friend made. We need to achieve something that cuts the draw of migrants to Britain through the welfare changes that I have set out.

Jim Shannon (Strangford) (DUP): The Prime Minister referred to terrorism in his statement—terrorism in the middle east. It is all too easy to forget about the terrorist campaign in the United Kingdom of Great Britain and Northern Ireland. Today is the 40th anniversary of the Kingsmill massacre in which 10 Protestants were murdered because of their religion. The only survivor was shot 18 times and left for dead alongside his lifeless colleagues. What steps has the Prime Minister taken to ensure that people responsible cannot cross borders, as was the case 40 years ago, when those responsible fled across the border into the Republic of Ireland?

The Prime Minister: The hon. Gentleman is right to make the point that there are many victims of terrorism and families who have lost loved ones to terrorism in our own country. Even today there is still a terrorist campaign in part of our United Kingdom, and we should take a moment to pay tribute to the police and the security services who work round the clock to try to stop that happening. With reference to his question, it is important that whatever our borders are or wherever they are, we are able to police them effectively to stop criminals and terrorists crossing them.

Mr David Nuttall (Bury North) (Con): The Conservative party manifesto said:

“We will insist that EU migrants who want to claim tax credits and child benefit must live here and contribute to our country for a minimum of four years.”

Although I am clear that in the referendum I will vote to leave the European Union, many of my constituents are waiting to see the outcome of the renegotiation. I would be grateful if my right hon. Friend could explain whether we are still insisting on that idea, or is it now simply a basis for negotiation?

The Prime Minister: No. I very much stand by what we put in our manifesto. The four issues that we are renegotiating were clearly set out there and we need to deliver in each of those four areas.

Kate Hoey (Vauxhall) (Lab): The Prime Minister is right to give his Ministers a free vote, as Harold Wilson did in 1975, but does he realise that underpinning everything in the referendum is trust? How will the British people trust anything that he brings back, dealing with a European Union that they do not trust and with institutions that they do not trust, if we do not have a proper and fully worked out treaty change?

The Prime Minister: I think people can see that this is a process in which they can trust. We promised a referendum; we have legislated for a referendum. We promised a renegotiation; that renegotiation is well on course. This is all from a Government who said they would cut the EU budget—nobody believed us, but we did; who said we would veto a treaty if necessary—nobody believed us, but we did; and who said we would bring back the largest number of powers since Britain joined the EU which, with the Justice and Home Affairs opt-out, we did. This is a Government who have a track record, but in the end it will be for the British people to make their decision about where our future is most secure.

Damian Green (Ashford) (Con): The Prime Minister laid great stress on the fight against terrorism and it is, sadly, clear that forces that hate our democracy are establishing themselves in a larger number of countries. Does my right hon. Friend agree that the ability of democratic countries to use the European Union to take measures that allow them to co-operate on a daily basis in the fight against terrorism is a key contribution to keeping British citizens and Britain's streets as safe as they could be?

The Prime Minister: My right hon. Friend is right. In many of the debates about Europe that we have had in the past 10 or even 20 years, much of the focus has been on economic questions. When this debate comes, a lot of it will rightly focus on security questions. Although there are still many imperfections in the way border controls and the exchange of information work, there is no doubt that we will benefit hugely from the passenger name record legislation that is coming through: it does not just tell us which passengers are coming to our country but where they bought their ticket, which credit card they used and where they are from. This is vital information which, combined with the Schengen Information System information, will help us to stop terrorists getting into our country. Of course, arguments can be made on both sides, but I think the security argument will be crucial in determining what is the right future for Britain.

Mr Chuka Umunna (Streatham) (Lab): Many of those who argue for us to leave the European Union suggest that we could continue to be part of the single market

[Mr Chuka Umunna]

without having to abide by any of the obligations that go with it. Does the Prime Minister know of any non-EU states that enjoy free trade with the single market but are not part of the free movement that goes with it?

The Prime Minister: The hon. Gentleman makes an important point. Look, my argument will in no way be that Britain could not succeed outside the European Union, because of course we could; we are a great country, the world's fifth largest economy and a great trading power. The argument will be about whether we would be more prosperous and more secure inside or outside a reformed EU. To answer his question directly—I answered this when I went to Iceland—countries such as Iceland and Norway have to obey all the rules of the single market, including on the free movement of people, but without having any say on what those rules are. In Norway it has been described as democracy by fax, because the instructions come through from Brussels, and they pay more per head to the EU than we do. It will be for the campaign responsible to make the arguments about what life would be like outside the EU, and this is a crucial question that it will have to answer.

Mr Peter Bone (Wellingborough) (Con): Grassroots Out, or GO, was launched yesterday. Politicians from different political parties are working together at grassroots level to campaign on coming out of the European Union. Given the Prime Minister's announcement that Ministers will be free to campaign to leave, I assume that they are now free to join GO; and given that he is still saying that there are significant difficulties and that he might eventually decide to recommend not staying in the EU, will he consider joining GO at some time in the future?

The Prime Minister: I will look carefully at what happens when you "pass go"! I believe that we are getting closer to an agreement on Britain's renegotiation, and at that point—not before—although the Government will have a clear recommendation, Ministers will be able to campaign in a personal capacity on a different side, as I have said. But that needs to happen after the negotiation has taken place. I think that Members on both sides of the House, and indeed members of the public and businesses and others, want to know what the renegotiation amounts to. We need to have a proper debate about what we bring back, and then people will be able to make up their minds. In the end, it will not be any of us who decides the outcome; it will be the people who put us here.

Mark Durkan (Foyle) (SDLP): It is not only Save the Children but UNICEF and others, including the International Development Committee, that are urging the Prime Minister to give a positive and decisive response on the issue of unaccompanied children. Does he recognise that the over 26,000 unaccompanied children who came to Europe last year came not just from Syria but from other places of conflict, and some of them already have relatives in the UK? Does he not think that he would be in a stronger position at the donor conference he is co-hosting next month if he had already made a clear decision?

The Prime Minister: I think that we will be in a strong position at the donor conference because we have done more than any other country, save the United States, in terms of the funding we have given to the refugee crisis, and because, having made the 20,000 pledge, we are in the process of implementing it in very good order. I said that I would look closely at the issue of orphans. The point I have made many times is that there are different views among some NGOs about how best to handle the issue. I want to ensure that what we do is genuinely helpful for the people we are trying to assist. We know—because we can vet them and look at them—that the families we are taking out of the refugee camps are better off here, and they are the sorts of people who are most vulnerable and whom we can help the most.

Neil Carmichael (Stroud) (Con): Of course the referendum will revolve around the political advantages and economic strengths that continued membership of the European Union will bring, but, in terms of his renegotiation, does the Prime Minister agree with me that the second basket, competitiveness, will actually depend on our membership of the single market and on the European Union's ability to create free trade opportunities across the globe?

The Prime Minister: My hon. Friend is making an important point. If we were not in the single market, we would not be able to argue for the trade deals that the single market signs or the completion of the single market in services, energy, digital and elsewhere. The calculation that people will have to make is whether we are better off in the single market, making a financial contribution towards it but having a say over its rules and its future, or whether we are better off outside, without that say but with some sort of negotiation about access. That goes to the heart of the economic pros and cons of in or out, and that is the argument that needs to take place.

Emma Reynolds (Wolverhampton North East) (Lab): The Prime Minister clearly believes that he can negotiate a good deal with our European partners and it is pretty clear that he does not want to be the British Prime Minister who takes us out of the EU. Why, therefore, has he suspended collective responsibility? Why is it not possible for him to persuade his own Ministers of his position on an issue that is so vital to our national interest?

The Prime Minister: The entire Government are signed up to having a successful renegotiation and holding a referendum. Everybody backs that plan, and the plan is being put into place, but clearly there are people who have long-standing views about the European issue. As I signalled very clearly before Christmas, it has never been my intention to strong-arm people into voting for a position they do not agree with, so I think this is the right approach. As I said, it does not effectively come into practice until a deal is done because we do not yet know what the Government's recommendation will be or when the deal will be done. I hope it will be February, but it could take considerably longer. When you are negotiating with 27 other countries, all sorts of things can happen, but on this day of all days, to have talk from the Labour party about party unity is a bit on the rich side.

Philip Davies (Shipley) (Con): The Prime Minister has for many years rightly berated the Labour party for giving up our rebate and getting nothing in return. If his negotiations are so meaningful, why did he not ask for our rebate to be reinstated or for a cut in our contribution to the EU budget? Is it because he does not think that we should have our rebate back any more, or because he just asked for what he knew would be agreed to so that he could claim some bogus negotiating triumph at the end of it?

The Prime Minister: I hope my hon. Friend had an enjoyable Christmas and new year; he seems to have started in a slightly churlish manner.

I would make the point that we negotiated a cut in the EU budget, not just for one year but across the seven years of what is known as the EU financial perspective—in plain language, the EU budget year on year on year. We also protected what remains of our rebate, which is still immensely powerful and saves British taxpayers a huge amount of money.

If anybody thinks that what I am asking for is somehow easy or simple, they can come and sit around that table with 27 other leaders and see that actually that is not the case. I am not claiming elder statesmanship—I think I have now been to 42 European Councils because we have had so many of these things—but I would say that what I am arguing for is at the outside edge of what we can achieve.

Mr Ivan Lewis (Bury South) (Lab): Prime Minister, on the question of European funding, hundreds of my constituents in Radcliffe have had a terrible Christmas due to the flooding that has devastated so many people's homes and businesses in Greater Manchester and across the north of England. Bury and other councils have to pick up the infrastructure costs. The European solidarity fund exists to help in such circumstances. It would be unforgivable to put Tory party management and posturing on Europe ahead of the national interest. When are the Government going to apply for the European solidarity fund money?

The Prime Minister: First of all, I send the hon. Gentleman's constituents my sympathy for the flooding that they suffered. Let me say that we will do everything we can, including through the Bellwin scheme, to make sure that his council is fully reimbursed for all the emergency measures that it had to take. We will also make sure that we put in place the flood prevention measures and investment that are coming down the track.

I have looked very carefully at the question of EU funding; we looked at it previously in 2013. It takes a very long time to get hold of any money and it is very uncertain whether you get it. Indeed, you end up paying for it in many ways as well. I think it is quicker and better to give people the help they need from our own resources.

Sir Edward Garnier (Harborough) (Con): Beyond the talks that my right hon. Friend is co-hosting next month, what other discussions are his Government and the other European Union Governments having with functioning Governments around the Mediterranean to inhibit terrorists who disguise themselves as refugees from Asia, the middle east and Africa?

The Prime Minister: My right hon. and learned Friend is absolutely right to raise this issue. It is why a defence co-operation operation is being undertaken in the Mediterranean, in which Britain is playing a very leading part with HMS Enterprise, which is exactly to go after the people smugglers. In time, when there is a proper Government in Libya, we need an agreement with that country that we can stop boats, and indeed turn back boats, when we think that these people should be properly dealt with in Libya—as I say, we need to break the link between their getting in a boat and settlement in Europe. We are working with all the Governments available, but crucially we need a Government in Libya with which we can deal.

Stephen Gethins (North East Fife) (SNP): May I commend the Prime Minister for, on this day of all days, demonstrating to the Leader of the Opposition that he is not the only one leading a hopelessly divided Cabinet? Does he think that a majority of his Cabinet colleagues will be joining him in the “remain in Europe” campaign?

The Prime Minister: The entire Government are behind the strategy of holding a renegotiation and having a referendum, and we have discussed repeatedly what the issues are that need to be renegotiated. What I think is so interesting across the Opposition side of the House of Commons is that there is not one single thing they want to renegotiate. They are not asking for any welfare changes, they are not asking for ever closer union changes, they are not asking for competitiveness changes—all they want to do is come here and carp and cavil at someone who is getting the job done.

Andrew Rosindell (Romford) (Con): I welcome the Prime Minister's commitment to end the imposition of ever closer union, if that can be achieved in a binding way for the long-term future, but my constituents want to know what is being reversed. What is happening to the ever closer union that we have been subjected to for the past 40 years, and what powers are coming back to this Parliament?

The Prime Minister: We have just achieved the biggest return of powers since Britain joined the European Union, which is the opt-out from Justice and Home Affairs, where 100 measures came back to Britain. We have seen exactly the same, and we will see more, with regard to the eurozone, where we want to make absolutely sure that we suffer no disadvantage, we cannot be involved in bail-out schemes, and the British position is protected. That is a return of power. Look at what we are trying to achieve on deregulation, where we are saying that we need deregulation targets and cuts in regulation—that is about powers coming back to Britain. If you look at what we are saying about a subsidiarity test where every year the European Council should be asking, “Are these powers and these areas of powers still necessary, and can they be returned?”, “you see that the whole aim of this renegotiation is to say, “Yes, we are part of a European Union that is reformed and that can achieve greater prosperity and greater security for Britain, but we are doing it as a proud nation state with institutions that serve the people who put us here.”

Kelvin Hopkins (Luton North) (Lab): The recent elections in Portugal and Spain have seen a surge in support for left-wing Eurosceptic parties and have seen

[Kelvin Hopkins]

right-wing EU-supportive parties losing their grip on power. Has the Prime Minister detected levels of concern among his fellow EU leaders about these developments?

The Prime Minister: We are all democracies, so we accept the results in each other's elections. I am happy to say that here, a Government who took difficult decisions over the economy and the deficit actually achieved a higher share of the vote at the election than they did at the previous one; there are benefits from spelling these things out. I am committed to working with the new Portuguese Prime Minister. We will see what emerges in Spain. I work very closely with Prime Minister Rajoy, who did a very good job for his country in difficult circumstances. These election results show how we need reform in Europe. We need the competitiveness, we need the jobs, and we need the ability to compete against the rest of the world so that we can create jobs and wealth as we are doing here in Britain.

Lucy Frazer (South East Cambridgeshire) (Con): Does the Prime Minister agree that it is neither unfair nor inappropriately discriminatory to place restrictions on those who come here from other member states? This is evidenced by the fact that the original EEC treaty granted a right to residence but only to those who came to pursue an economic activity.

The Prime Minister: My hon. and learned Friend is absolutely right. One of the problems that has emerged is that the legal changes that have been made have defined free movement in a more and more generous way. It used to be the case that it was free movement to go and take a job for which you had applied, whereas today, I think I am right in saying, 60% of those who come to Britain are job applicants—they do not have a job when they come. This is another reason we need to address the welfare issue, because those people will be particularly affected by changes to in-work welfare, and we will not have that unnatural draw to Britain. Many people who come to Britain work hard and contribute and all the rest of it, but we need to make sure that our arrangements reduce the unnatural pull of migration to Britain, as my hon. and learned Friend set out.

Barry Gardiner (Brent North) (Lab): The Prime Minister has said that the EU referendum will reflect the choice of the British people, but if the choice of the British people does not reflect the choice of the Prime Minister, will he resign?

The Prime Minister: This is the choice of the British people. Our aim is to set forward a choice for the British people that they want. They can choose either to stay in a reformed European Union or to leave the European Union. Come what may, I will continue to lead the Government in the way I have.

Sir Gerald Howarth (Aldershot) (Con): May I salute my right hon. Friend's decision to allow Ministers to exercise their freedom of choice on this very important matter? Does he accept that that is a sign not of his personal weakness, but of his personal strength, because he believes that we in this party can have a sensible debate about a fundamental issue of serious importance

to the British people? He has just said that the negotiations may come to fruition next month. If they do, when would he envisage the referendum taking place?

The Prime Minister: I make it a policy not to answer questions beginning with "If", even if they are put as charmingly as they are by my hon. Friend. If we can achieve a result in February, I do not think we should delay the referendum. I think we should get on and hold the referendum. As I have said, it should not be done in any unnatural haste. It needs to have a proper number of months for people to consider all the arguments, and that is exactly what will happen.

Graham Stringer (Blackley and Broughton) (Lab): The common agricultural policy puts up the price of food for people in this country and is an unnecessary burden on taxpayers. Why did the Prime Minister not try to renegotiate the CAP?

The Prime Minister: If we look at the facts of the CAP, we will see that the days of the great wine lakes and butter mountains have by and large gone, and I do not think it is possible to argue in the same way as it was in the past that it adds hugely to families' bills. That is not what is happening. There has been quite significant reform. There has also been some fairly significant reform to the common fisheries policy. Of course, our deregulation targets and subsidiarity tests apply in all those areas.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I invite my right hon. Friend to make a list of the European laws and European Court rulings he believes depend primarily on the "ever closer union" phrase in the treaties?

The Prime Minister: I am very happy to come back to my hon. Friend. I do not have the list on me, as it were—I do not carry it around to remind me. My right hon. Friend the Member for North Somerset (Dr Fox) said that the phrase had been cited in 55 different actions. My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) is one of the people who in the past said how important it was to get out of ever closer union. I say to colleagues who are considering the issue that it has been raised time and again by people like me, who are concerned about the ratchet of the European Union and who want to get this renegotiation right. If we can deliver it, let us all link arms and celebrate it.

Tom Brake (Carshalton and Wallington) (LD): The Prime Minister has heard a call from first the Labour party, then the Scottish National party, then the Social Democratic and Labour party and now the Liberal Democrats for the Government to act on the question of the 3,000 unaccompanied and vulnerable children. [Interruption.] I hope that the Prime Minister's colleagues will listen rather than laugh. The Prime Minister has said that he is considering the matter. Would he like to tell the House at what point he is going to finish that consideration, because those children are vulnerable now?

The Prime Minister: I absolutely understand the weight of argument behind the proposal. We are looking at it. I cannot give the right hon. Gentleman an exact timeframe,

but it is not going to take ages to consider the issue. I repeat again that, while there are, of course, very important issues in favour of taking the action he puts forward, we need to consider all of the issues, including those people who, yes, are tragically orphaned, but who have broader and wider family around them where they are currently.

Victoria Atkins (Louth and Horncastle) (Con): As the RAF seeks to destroy Daesh in Syria and Iraq, does the Prime Minister agree that our commitment to the 2% NATO target for the defence budget improves our ability to strike those who threaten Britain?

The Prime Minister: My hon. Friend is absolutely right; it not only provides the resources that the RAF, our Navy and our Army need, but sends a massive signal about Britain's place in the world and Britain's intention to play a full role in safeguarding our world. I think that it has been recognised by our allies and, indeed, our enemies as such.

Mr Mark Hendrick (Preston) (Lab/Co-op): However the Prime Minister wishes to characterise ever closer union, is it not the case that most people accept that the European Union is moving in the direction of a union of European states, rather than a united states of Europe?

The Prime Minister: The hon. Gentleman makes an important argument, but I think there are forces going in both directions. On the good side, the widening of the European Union to include the Baltic states, the Nordic countries and the Balkan states has been a great advance for the British agenda, and the fact that we are focusing Europe on doing trade deals with the fastest growing parts of the world, rather than looking inwards, is a great advance in the agenda.

However, there are still proposals for more federalistic approaches and Britain has successively carved itself out of those things. If Europe wants a border force to help police its external borders, that is a matter for them and is not something we will take part in. If the eurozone wants to pass a series of laws to have a fiscal union or mutual debt obligations, that is a matter for it. It is fine, as long as we are not involved. What I aim to get through the renegotiation is the best of both worlds for Britain—in Europe where it is to our benefit, but not involved in those things that involve the wrong passage of sovereignty from this place to others.

Mr Jacob Rees-Mogg (North East Somerset) (Con): The Prime Minister tells us that other EU Heads of Government say that the EU needs Great Britain and Northern Ireland. Does that not show the strength of our negotiating position? They need our money and our economic strength. Therefore, has not the time come for him to screw his courage to the sticking point and say to Chancellor Merkel—that great beadle of Berlin—when he next sees her, “Please, we want some more”?

The Prime Minister: I will bear that in mind when I see Chancellor Merkel in the snows of Bavaria on Wednesday evening. Of course we have negotiating capital. We have a strong position because we make such a huge contribution to the organisation, but I believe that what I have set out is the right approach for our country.

Mr David Anderson (Blaydon) (Lab): At the recent meeting of the British-Irish Parliamentary Assembly, huge concern was expressed by parliamentary colleagues from right across the British Isles about this country's possible exit from the European Union. What, if any, work is being done to look at the specific impacts on Northern Ireland and on the Republic—our closest and oldest neighbour—if the referendum is lost?

The Prime Minister: The hon. Gentleman makes a very important point. One of the strongest voices of support for the British renegotiation was the Irish Taoiseach, Enda Kenny, who made a brilliant speech at the European Council, for which I will forever be very grateful. The Republic of Ireland wants Britain to stay in the European Union, because all sorts of difficult issues would arise in respect of the border and other things if we were outside it. Of course, the Republic of Ireland sees Britain as a strong voice in Europe for many of the things it believes in. Look, we have to get this deal right, and then we need to bring all the arguments to bear on both sides of the case. I think that what is said by those in the Republic and in Northern Ireland will make a big difference.

Mark Pritchard (The Wrekin) (Con): On security, one thing that safeguards the United Kingdom against terrorism, although it is not fool proof, is the lack of access to small arms and light weapons, in particular semi-automatic rifles. I therefore commend the Prime Minister in his efforts at the Council meeting to ensure that more work is done across Europe, including with the western Balkan countries, to stop the smuggling of illegal weapons from the Balkans into Europe.

The Prime Minister: My hon. Friend is absolutely right about this issue. I raised it personally at the European Council in respect of not just small arms, but semi-automatic weapons. More action is being taken in Europe, but some countries, particularly some of the Nordic countries, have an issue because of the way in which their citizens defence forces are set up. We need to go through all those problems to check that we can do more. Stopping the arms coming from the Balkans is absolutely key.

Geraint Davies (Swansea West) (Lab/Co-op): Happy new year, Mr Speaker. *[Interruption.]* And to you all.

Britain is taking great leadership in environmental policy in Europe and beyond. Will the Prime Minister use the Paris COP 21 conference to press the EU to ensure that imperatives on climate change from that conference are fully integrated into the US-EU free trade agreement, so that companies do not fine Governments when they pass legislation to meet stronger emissions targets?

The Prime Minister: The hon. Gentleman raises an important point, and I will ensure that it is properly dealt with. The main thing we must do now is implement those things that were agreed at the COP and that need action in either the UK or the EU, but I do not see the Transatlantic Trade and Investment Partnership providing any particular problems on that front.

Suella Fernandes (Fareham) (Con): EU migrants can claim up to £700 a month in tax credits, which is almost double the amount to which they are entitled in Germany.

[*Suella Fernandes*]

Following a recent court ruling, Germany has decided to change its laws so that EU migrants will not be able to claim such welfare before they contribute. Does my right hon. Friend agree that that news suggests that similar reform is highly possible in this country, and will he say what impact it will deliver?

The Prime Minister: My hon. Friend is absolutely right to raise that issue. Britain's requirement on these welfare changes has stimulated something of a debate in Europe. I do not want to speak for the German Chancellor, but Germany is trying to deal with this issue at the same time as us. It has a more contributory system, but none the less it has some of the same issues. I am convinced that we can come to a good answer, and countries across the north of Europe understand how much that needs to be done.

Patrick Grady (Glasgow North) (SNP): Given that the ballot paper in the European referendum makes no mention of the Prime Minister's renegotiations, will he answer the simple question that voters will have to answer: should the United Kingdom, in principle, remain in the European Union or leave the European Union?

The Prime Minister: The right thing to do is to wait for the renegotiation and see whether we want to remain in the EU as amended, or leave the EU. The whole point is to give people a better choice. Many people said to me before the last election, "I don't want the false choice of staying in an organisation that needs reform or leaving it altogether. Give me a better choice." That was the most popular policy not just in England, but in Wales, Northern Ireland and Scotland, and that is why we are putting it in place.

James Cartledge (South Suffolk) (Con): Given the critical economic impact on this country of whether we leave or remain in the EU, will my right hon. Friend assure me that he will do all he can to push for a fair settlement regarding discrimination and access to the single market for those countries that choose to have the best of both worlds by remaining in the EU, but outside the straitjacket of the European single currency?

The Prime Minister: That is absolutely key to our negotiating aims, and a country that is a member of the single market but not of the single currency should not suffer disadvantage. As I said, a number of occasions—whether calls to bail-out eurozone countries, or the location policy that euro-clearing houses can be put only in eurozone countries—have shown just how important this issue is, and that is why it is so vital to the renegotiation.

Wayne David (Caerphilly) (Lab): Being part of the single European market is obviously vital to the British economy. Will the Prime Minister therefore prepare and publish a report before the referendum to show the impact on the British economy if we were to withdraw from the European Union?

The Prime Minister: I certainly believe that documents need to be published, and I think that the other place insisted in some amendments on what sorts of document need to be published. Within those documents they will

set out what the renegotiation has accomplished and what are the benefits and disbenefits. I will be careful what I say to the hon. Gentleman because this is what was decided in the other place and I think accepted by us, so perhaps I can drop him a line about it.

Sir Simon Burns (Chelmsford) (Con): My right hon. Friend rightly told the House about the discussions on aviation security and passenger data sharing, which are important. Were there also discussions on the equally important issue of people who work at airports, not simply background checks but day-to-day checks when they turn up for work?

The Prime Minister: We did not go into that level of detail, but clearly the aim now is to have far greater collaboration and co-operation on airport security. One of the things that the Sharm el-Sheikh airline attack demonstrated is that, while we all believe we have made big advances in airport security, we cannot rest on our laurels. We have to keep asking: how could a terrorist get within the confines of an airport and do harm? The work is being carried out on that basis.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Polish Foreign Minister is reported as saying that Poland will support the Prime Minister on in-work welfare benefits if he will back its demands for a NATO base. Has the Prime Minister or any of his officials had discussions on this with their Polish counterparts?

The Prime Minister: I do not think a NATO base has been discussed. Certainly, we support the idea that more NATO forces should be properly deployed in eastern European and Baltic countries in order to demonstrate that NATO absolutely stands by its obligations. As President Obama put it, when the Russians look over various borders or into other European countries, he wants them to see not just Latvian, Lithuanian or Polish soldiers but French, British and German soldiers as well.

Richard Graham (Gloucester) (Con): After the latest European Council meeting, German Chancellor Angela Merkel said: "It is important for British citizens that we find a solution, and the more satisfying the solution the more who will be convinced that Europe can put forward solutions." The tone is encouraging, but does my right hon. Friend agree the crux now is converting mood music into substance?

The Prime Minister: My hon. Friend is absolutely right. I think there is good will towards Britain. As I said, many of the contributions to this debate were not just about Britain benefiting from being in Europe but about Europe benefiting from having Britain in it. People do not want us to leave, but we have to turn the good will into action. That is what the February or any subsequent Councils will be all about.

Toby Perkins (Chesterfield) (Lab): I wish the Prime Minister well in his renegotiations. I shall be campaigning for Britain to stay in the EU whether he is successful or not. He should not oversell the difference it will make to Britain whether he is successful or not. It means a lot to those of us who will be campaigning to stay in the EU that we will be able to do so on the basis of an honest

and transparent case. It is therefore difficult for him to say that the changes he is campaigning for are irreversible. He knows as well as anyone that a future Prime Minister, Government or Parliament can change the terms in which we are in. Will he withdraw the allegation that the things he is campaigning for now are irreversible?

The Prime Minister: What I am looking for are changes that are legally binding and irreversible. Should a future British Prime Minister and the 27 other Prime Ministers and Presidents around the table decide to take Europe in a totally different direction, then that would be very concerning. But, and it is a big but, we should remember that we passed through this House the referendum lock. If any future Labour Prime Minister—or any other Prime Minister—tried to give away powers that we either have or get back there would be another referendum, so I do not think we have to worry about that.

Jason McCartney (Colne Valley) (Con): In the shadow Foreign Secretary's well-received speech in the Syria debate, he quoted Karwan Tahir, from the Kurdistan Regional Government, on the strategic importance of UK forces joining air strikes against Daesh inside Syria. Will the Prime Minister confirm that RAF airstrikes now taking place inside Syria are helping to repel counter-attacks against Kurdish peshmerga forces in northern Iraq?

The Prime Minister: I can confirm that. As was set out in that debate, if we believe in shrinking and eventually eradicating Daesh, that has to be done on both sides of the Syria-Iraq border. In the period since the vote, most of the action has been concentrated in Iraq because of the retaking of Ramadi, but the fact that we can pursue people across that border and the fact that we have been able to take action specifically against the oil wealth Daesh has built up, is beginning to make a difference.

Paul Farrelly (Newcastle-under-Lyme) (Lab): In the Prime Minister's remarks, he described one of his four pillars, that regarding in-work benefits, as his four-year proposal. He has heard one of his colleagues on the Back Benches cite the Conservative manifesto. As far as his negotiations are concerned, will he explain to the House what has been the difference between a four-year proposal and a four-year demand?

The Prime Minister: The UK has put its proposals on the table in each of the four areas, and of course, in the area of migration, the four-year proposal is not our only proposal: we have talked about child benefit, benefit abuse, criminality and our migration rules. I have said that my four-year proposal remains on the table unless or until something equally good is put in its place. I am happy to listen to other suggestions, but people need to know that this is crucial to getting the right deal.

Mr Jonathan Djanogly (Huntingdon) (Con): If, as seems increasingly likely, Switzerland successfully negotiates restrictions on the freedom of movement, will my right hon. Friend's position change as a result? Is what is good for Switzerland good for Britain?

The Prime Minister: As my hon. Friend might imagine, I am watching closely the Swiss attempts to renegotiate its position since the referendum. The difficulty of its position is that the EU is saying to Switzerland, "Yes,

we're happy to talk to you about free movement of people, but everything else is up for grabs"—there is no guarantee of Swiss access to any part of the single market without agreement in this area. That is worth thinking about carefully in terms of the relationship between a country—particularly a small country outside the EU—and the rest of the EU.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Given the lack of progress and detail in the Prime Minister's renegotiation wish list and considering he has asked for other ideas today, will he support my party's call for greater influence for the devolved Governments within the EU's decision-making structures as a way of increasing democracy and accountability?

The Prime Minister: We have made a lot of advances in recent years in making sure that devolved views are clearly taken into account before Council meetings, and we continue to do that.

Alberto Costa (South Leicestershire) (Con): As well as our armed forces, will the Prime Minister also pay tribute to British police officers, such as the chief constable of Leicestershire police, Simon Cole, who, as he knows, is the lead on the National Police Chiefs Council's Prevent strategy to counter radicalisation and who works hard, along with other police officers, to protect us all from terrorists?

The Prime Minister: As my hon. Friend says, this is a good moment to pay tribute to the police. They worked incredibly hard over the Christmas period, not just with the flooding but on counter-terrorism, working with our security services. Given the heightened concern following the Paris attacks, now is a good moment to pay tribute to what they do.

Clive Efford (Eltham) (Lab): May I take the Prime Minister back to the question from my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper)? I cannot believe he thinks that the 3,000 children wanting to come to this country are trying to break in—

The Prime Minister *indicated dissent.*

Clive Efford: That is what the Prime Minister said. I will give him the chance to put the record straight, but it is not acceptable to say that the disagreement among non-governmental organisations about how to help these children is an argument for doing nothing. We are asking for an in-principle commitment to help 3,000 children. Will he give that?

The Prime Minister: Let me be clear—I hope I did not mislead the House in any way—the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) said she had been to Calais and seen the state of the "jungle" camp, and I was just making the point that we will do everything we can to help the French deal with the people there, but that, in the end, the people in the Calais camp do not have a right to come to the UK and, under international rules, should be claiming asylum in the first safe country they reach.

[*The Prime Minister*]

Of course, we will carefully consider the issue of unaccompanied children. We are taking people from the Syrian camps—that is the 20,000—including many very vulnerable people and families, and we are looking at the 3,000 in good faith, but as I have said many times, there are issues to be worked through. I am glad, however, to have had the opportunity to separate those two issues.

Henry Smith (Crawley) (Con): I commend the Prime Minister for his statement. Will he confirm that UK personnel will not take part in any external border Schengen area patrols? Would that not go against the principle of moving away from ever closer union?

The Prime Minister: We are not a Schengen country, so there is no prospect of us being part of a European external border force. Our external border is well delineated and well protected, but we should obviously look at what more we can do. Should we, however, stop other European countries if they want to get together and do more at their external border? No, I do not think we should. Frankly, we want to see a better-protected European border. Whether or not we would co-operate, work with or help some future force, I do not know, but it could be properly looked at. At the moment, even though we are not in Schengen, we have more people working on the European Asylum Support Office than any other European country. In the end, we recognise that protecting Europe's external border is in our interest. Again, I think we can have the best of both worlds: we can keep our border controls and keep out of Schengen, while encouraging other European countries to do more on their external border and providing help where appropriate and necessary, but make sure that we maintain our own sovereignty in this vital regard.

Peter Grant (Glenrothes) (SNP): In his earlier replies to my right hon. Friend the Member for Moray (Angus Robertson), the Prime Minister made it clear to the people of Scotland, and presumably to the people of Wales and Northern Ireland too, that a consequence of being part of the United Kingdom is that we have to put up with the possibility of our people voting to stay in the European Union yet being dragged out of it if a majority of people in England vote to leave. This is how the Prime Minister has started 2016, but for most of 2014 the Prime Minister was telling us that being part of the United Kingdom was the only way to guarantee our membership of the EU. Will he tell us how it is possible to reconcile those two directly contradictory views?

The Prime Minister: Very easily. If Scotland had voted to leave the United Kingdom, which the people of Scotland wisely rejected, they would have been in a very long queue to get back into the EU. Having met the Spanish Prime Minister several times, I am not sure that there are many circumstances in which the Spanish would ever let an independent Scotland back into the European Union. That is the answer to the hon. Gentleman's first question. The answer to the second is that we had a referendum on whether Scotland should remain part of the United Kingdom. Scotland voted to stay in the United Kingdom and the hon. Gentleman's party vowed to abide by the decision taken—for one United Kingdom.

Tom Pursglove (Corby) (Con): Does it not remain the case that by focusing our efforts in the region and by helping in those areas, we can help 20 people for every one person we bring to Britain? Is that not the most effective way for the British people to help those who find themselves in such difficult situations?

The Prime Minister: My hon. Friend is absolutely right. The figures speak for themselves. We said we would take 20,000 people from the camps, do 1,000 by Christmas and get on with it. Thanks to the excellent work of the Under-Secretary of State for Refugees, we have fulfilled our pledge. If we look at the resettlement and relocation schemes that the EU spent a lot of time discussing, so far they have not amounted to as many as the 1,000 people that we have helped. I am sure that they will over time, but my point is that Britain is a country that prides itself on signing agreements, implementing them and doing the things that are set out in those agreements. That is exactly what we have done with Syrian refugees.

Andrew Gwynne (Denton and Reddish) (Lab): Has the Prime Minister discussed his renegotiation efforts with the Chief Minister of Gibraltar, and does he recognise the growing anxiety of Gibraltarians at the prospect of British exit from the European Union—not least the prospect that a currently impartial Commission and other member states might take sides in future deliberations between Britain and Spain?

The Prime Minister: I have not discussed the issue recently with the Chief Minister of Gibraltar, with whom I am on very good terms. But of course people in Gibraltar will have a vote.

Steve Brine (Winchester) (Con): Returning to the subject of Syrian refugees, I was fortunate to meet in the week before Christmas a Syrian family that had resettled in my constituency. It was obvious from talking to the parents how grateful they were. Watching the tears well up in the eyes of their little girl, who was the same age as my own daughter, was a reminder of what a harrowing experience they had been through. One thousand by Christmas was a big ask, but we did it. The fact that the British Red Cross, a caseworker and interpreter were with these people provided an example and a reminder for me that bringing them here properly and under the right terms, so that they have the services they need, means that we have done this the right way round.

The Prime Minister: I am grateful to my hon. Friend for his comments. That is the right way of doing it. We have to keep on now and ensure that we deliver the 20,000 that we promised. I pay tribute to the local authorities that have offered housing and support. The model we have is the right one.

Diana Johnson (Kingston upon Hull North) (Lab): This afternoon the Prime Minister has talked about the national security angle being a compelling reason to stay in the EU. Can he therefore explain how it will work if the Home Secretary decides to campaign to leave the EU?

The Prime Minister: I have set out the position, which is that we will make a recommendation following the conclusion of the renegotiation. The Government will have a position. I have set out what I want that position

to be but I have to conclude my renegotiation successfully first. In that circumstance, a Cabinet that has repeatedly discussed this issue and gone through the areas of renegotiation will come to a clear position, but of course Ministers who have long-standing, strong views on this who want to campaign in a personal capacity will be able to do so. That is the sensible, mature and right thing to do. Obviously, that will come into force once we have completed the renegotiation, and I look forward to that moment.

David Rutley (Macclesfield) (Con): As chair of the all-party group on Denmark, I noted with interest that in the recent referendum the Danish people voted against moves to amend its opt-outs on justice and home affairs, due largely to concerns about migration. Will my right hon. Friend confirm that that result was discussed at the Council? Does he agree that that result underlines the importance of the EU responding positively to his reform agenda and ensuring that it has better controls over its own borders?

The Prime Minister: My hon. Friend is right. Europe has to address individual concerns of individual countries. That is exactly what it is doing with respect to Britain. The Danish Government took the approach of holding that referendum. That is a matter for Denmark. Now that the people in Denmark have decided, I hope that everyone can be creative and helpful in trying to ensure that Denmark can benefit from the security that is available through institutions such as Europol, which I am sure it wants to go on co-operating and working with. We will have to find a way of making that happen.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The UK helped to draft the UN refugee conventions after the second world war, when we promised that never again would refugees be left out in the cold. The first body of a child to be washed up in 2016 was washed up this weekend on Greek shores. Refugee charities have written to the Prime Minister and said that the commitment is

“too slow, too low and too narrow.”

Will he show leadership and promise to extend support to refugees, including working with EU partners to establish safe and legal ways to reach the EU and travel across it?

The Prime Minister: I have just replied to that powerful letter and made a number of the points we have discussed today, including that we made our promise of 20,000 and are delivering on that, which stands in contrast with the schemes that are not yet up and running in the way ours is. One of the key points about the UN rules is that people should claim asylum and refugee status in the first safe country that they reach. It is important that we try to reinforce that in the work we do.

Andrew Stephenson (Pendle) (Con): I welcome what the Prime Minister has said about the Commission's proposals on firearms. Some of the measures are to be welcomed, but some are causing great concern among re-enactment and living history groups across the UK. Can he assure me that he will look carefully at the details of those proposals to ensure that there are no unintended consequences?

The Prime Minister: Like my hon. Friend, I have had some letters as a constituency MP from people who are enthusiasts for re-enactments. We need to look carefully at this matter. There has been a problem with replica guns that get converted into guns that can actually kill people, so we have to be careful, while showing sympathy to those who have replicas or things such as that, to ensure that they are not a genuine danger.

Danny Kinahan (South Antrim) (UUP): Just before Christmas, there were reports in the media that some tens of thousands of blank EU passports had been stolen. If that is true, it has great consequences for our security, immigration and everything else. Is it true? If it is, what are we doing about it?

The Prime Minister: I am not aware of that report. I will look into the matter and perhaps write to the hon. Gentleman.

Andrew Bridgen (North West Leicestershire) (Con): Does my right hon. Friend agree that the controversial decision to grant asylum to Abdul Rahman Haroun, the man who infamously broke into and ran through the channel tunnel, sends completely the wrong signal, and risks seriously undermining public confidence in the EU and our own border controls?

The Prime Minister: Such decisions are made independently, according to the asylum rules. However, let us be absolutely clear about the fact that we should do everything we can to secure the tunnel and make sure that it is not possible for people to access our country by breaking into it.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): NATO strategy and priorities must not be conflated with the EU renegotiation. Will the Prime Minister give us a categorical assurance that none of the discussions with the Polish Government will include giving them a permanent NATO base in Poland as part of securing their support for this agreement?

The Prime Minister: No one has talked about a base of the kind that my hon. Friend describes. However, I strongly believe that, as part of the NATO strategy that has already been agreed, we should be contributing to the high-readiness forces. I strongly support that. I believe that we should be taking part in the Baltic air policing mission, for example, and that we should be ensuring that British soldiers exercise on Polish soil, as they do. If there are proposals to do more of those things, I for one will welcome them.

Nigel Huddleston (Mid Worcestershire) (Con): Does the Prime Minister agree that there is nothing progressive or noble about handing over more and more powers to unelected, unaccountable overseas bodies? Does he agree with my constituents that the principle of ever closer union is important because it sets out a clear direction of intent?

The Prime Minister: My hon. Friend is right. That is why, as I have said, Britain's engagement on Europe is not half-hearted. When it comes to the single market, we are its greatest champions. When it comes to sanctions against Putin's Russia because of what has happened in

[The Prime Minister]

Ukraine, we are the ones in the vanguard. When it comes to wanting to sign deals with the fastest-growing parts of the world, we are the ones making the argument. However, we have never believed in ever closer union or in a political superstate. That is not what we want.

I want to give the British people a very clear choice. We can be in Europe for the trade and the co-operation and the security that we require, but we do not want to be part of some federalising project. I think that while we are out of the euro and out of Schengen, and not having to be part of those supranational things, we will get a good deal.

Counter-terrorism

5.12 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I will make a statement about our work to counter the threat that we face from terrorism, in the light of the latest propaganda video from Daesh.

This weekend, Daesh released a video depicting the sickening murder of five men whom they had accused of spying for Britain. The video also featured a young boy. Let me echo the Prime Minister's words: this is a barbaric and appalling video. Daesh seek to intimidate and spread hateful propaganda, but in doing so they only expose their own depravity, and the emptiness of their proposition.

The House will understand that this is an ongoing police investigation, and that I cannot comment further while that investigation continues. To do so could prejudice the outcome of any future judicial process. For the same reason, I cannot comment on the alleged identity of the man or the child in the video.

Since the start of the conflict in Syria, more than 800 people from the UK who are of national security concern are thought to have travelled to the region, and we believe that about half of them have returned. Those who have travelled include young women and families. We have seen deadly Daesh-inspired terrorist attacks in Europe and other countries, including the attacks last year in Paris, Lebanon, Turkey, Kuwait and Tunisia, where 30 British nationals, along with others, were murdered at a tourist resort.

It is imperative that the police and security services have the resources and the powers that they need to keep us safe. Since 2010, we have protected the counter-terrorism policing budget, and, as we announced in November, through the strategic defence and security review, we have made new funding available to the security and intelligence agencies. That will provide for an additional 1,900 officers, an increase of 15%, at MI5, MI6 and GCHQ, and will enable us to respond better to the threat that we face from international terrorism, cyber-attacks and other global risks. We have also strengthened the powers available to the police and security and intelligence agencies.

In 2013, I updated the criteria governing the use of the royal prerogative, which allows the Government to cancel the passports of those planning to travel to engage in terrorist-related activity overseas, and in 2014 I removed 24 passports from people intending to travel for terrorism-related activity. Last year, the Counter-Terrorism and Security Act provided new powers to deal specifically with the problem of foreign fighters and to prevent radicalisation. This included a new power to temporarily seize the passports of those suspected of intending to leave the UK in connection with terrorism-related activity. These powers have been used on more than 20 occasions and in some cases have led to longer-term disruptive action such as use of the royal prerogative to permanently cancel a British passport. In November, we published the draft Investigatory Powers Bill, which is currently undergoing pre-legislative scrutiny.

Since April last year, exit checks have been in place on all international commercial scheduled air, sea and rail services using the UK. The information this provides is

already supporting our intelligence work, enabling us to make appropriate interventions. In addition, the UK has joined the European watch list system—so-called SIS II—meaning we are now alerted when any individual is stopped at a border checkpoint or by police anywhere in Europe and is checked against the system. Through our Prevent and Channel programmes we are working to protect people from being drawn into terrorism. In partnership with industry, we are working to secure the removal of extremist videos through the police counter terrorism internet referral unit. They are currently securing the removal of around 1,000 pieces of unlawful terrorist-related content every week.

It is clear that Daesh will continue to try and poison minds, and to hurt people in Europe and other parts of the world. We must not let that happen and we stand with all those who want to stop it. Time and again we have seen people of all faiths and backgrounds join together and demonstrate their opposition to terror, and their stand for democracy and freedom. Britain will not be intimidated by Daesh, and together we will defeat it.

5.16 pm

Andy Burnham (Leigh) (Lab): As the Home Secretary has just said, people will have been sickened to see images from the latest Daesh video on their television screens last night. What makes it even more disturbing are the British voices in the video and reports that one of them is a UK national who absconded to Syria while on police bail for terrorism-related offences. Clearly, something has gone seriously wrong. People will rightly want to know how on earth this could possibly have happened and will want reassurance that steps are in hand to prevent a repeat.

The Home Secretary has not provided that today. I do appreciate that there is a limit to what she can say, but she is only saying anything at all because we applied for an urgent question that was upgraded by the Government into this statement. I believe the public are owed more than that so I want to set out the questions that she will need to answer, if not today, then over the coming days and weeks, both on the specifics and the wider implications of this case.

I will deal first with the case itself and the reports concerning Mr Siddhartha Dhar. Whether or not he is the person in the video does not matter; the system has failed because it allowed him to abscond to Syria, and it is the system's failings I want to focus on, rather than the identities of people in the video. He was well known to the authorities having been arrested six times on terror-related offences before being placed on police bail in 2014 and asked to surrender his passport. It was when he failed to comply with those bail conditions that it emerged he had absconded. This brings me to my first question: can the Home Secretary tell the House when she was first made aware that this individual had absconded? Did she order an inquiry at that time, and if she did, can she tell us what it revealed and what immediate action she took to tighten up procedures? If she did not order a review, can she say why she did not do so? Was he placed on a watch list and, if so, when? If not, why not?

At the heart of this case is the system of police bail for people arrested for terrorism-related activity and whether it offers the potential for loopholes. Can the

Home Secretary tell the House whether the authorities followed the correct procedures between arrest and the bail hearing?

Even if the correct procedures were followed, I have evidence that they were far too weak. I have here the letter sent to Dhar setting out his bail conditions after he was bailed on 26 September 2014. It reminds him that he was due to surrender his travel documents by 3 October 2014, but this letter was sent over a month later, on 7 November. Let me quote from the letter. It states: "It has come to our notice that condition number 3 has not been complied with, or so our records suggest. Are there any changes to your circumstances that the police need to be aware of? Could you please contact the police on the telephone number listed above as a matter of urgency?" Does that in any way sound like an adequate response to the seriousness of the charges? It is clear that Mr Dhar had left this country long before that letter was sent. As I have said, regardless of which individuals might be in the video, this particular individual has absconded and the Home Secretary needs to provide answers.

I turn now to the wider implications of this episode. Will the Home Secretary tell the House how many other individuals are currently on bail for terror-related offences? Is she satisfied that their bail conditions and the monitoring of those individuals are adequate? Is this the only example of an individual absconding while on police bail, or are there others? On the question of the passport, can she say whether, in cases of this type, the authorities should seize a passport immediately rather than waiting for it to be surrendered voluntarily?

Will the Home Secretary also tell us whether individuals in terrorism-related cases should immediately be placed on the watch-list for all airports and seaports at the point of arrest? There are also wider implications about border checks, and anecdotal reports suggest that people continue to be waved through at seaports. The Government committed to check all passports on exit from the UK by the end of the last Parliament. Has that been implemented? If every passport is not currently checked, when will the figure reach 100%? Even if Mr Dhar's passport was not checked here, it should have been checked on arrival in the Schengen area. However, at the time he went through the border, the UK was not party to the Schengen Information System, which allows the sharing of our watch-lists across Europe, because the Home Secretary had delayed our participation in it. In retrospect, does she now accept that that delay was a mistake and that it weakened our security arrangements? Can she confirm that we are now playing our full part?

We know that the Border Force has undergone a huge upheaval since 2010, involving losing staff, and that it is today facing further cuts. Does the Home Secretary believe that the numbers of border staff are adequate to the meet the threat level and that further cuts will not leave us exposed?

In conclusion, we appreciate that this is an ongoing police investigation, but the fact that this individual could abscond while facing major charges raises serious questions about counter-terrorism policy. We need a commitment from the Home Secretary today that there will be an inquiry into this episode and that its findings will be made available to the House. There has clearly been a major lapse in security, and the onus now is very

[*Andy Burnham*]

firmly on the Home Secretary to demonstrate that she is taking all the necessary action to strengthen our systems of monitoring people who pose a risk to our country.

Mrs May: The shadow Home Secretary has asked a number of questions. He is right to say that I will not comment on individual reports in the papers relating to the Daesh video. That is an ongoing investigation. An initial assessment has been made, and work on it is continuing. He asked further general questions about the conditions for police bail and on checks at the border. I assume that, as shadow Home Secretary, he knows that the decision whether to place someone on police bail, and the conditions relating to that bail, are operational matters. Those decisions are taken by the police. I seem to recall that when counter-terrorism legislation has gone through the House in the past, the official Opposition supported proposals from organisations outside the House that more use should be made of police bail for terrorist offenders.

The right hon. Gentleman asked about border checks and about whether the procedures had been tightened up. As I indicated in my statement, we have introduced exit checks. They are now taking place at the various ports of exit and in a variety of ways, according to how the information about someone's exit is being held. We have introduced the checks and they are now providing support for our intelligence operations. He also talked about the border system that I referred to—the Schengen Information System II—suggesting that somehow this Government had delayed joining it. I seem to recall that SIS II was first proposed when the Labour party was in government, and that it was this Government—the coalition Government followed by this Government—who actually ensured that the UK went into SIS II and is now able to make use of it. We are looking across Europe to see how—I talk with my European counterparts about this—we can continue to enhance the use that can be made of SIS II. It is an important tool and we think there are ways in which we can make better use of it. We are discussing those and will be bringing them into place. We continually look to ensure that we can make any necessary moves to enhance our ability to deal with these issues, and we have done so—people can see the counter-terrorism legislation we have introduced in the past five years. We are continuing to do that, because we recognise our role and responsibility as a Government to keep people safe.

Mr Dominic Grieve (Beaconsfield) (Con): It seems to me that the one key issue that arises from this story is whether the Home Secretary is satisfied that there is an adequately rapid notification procedure following somebody being granted police bail and where the withdrawal of their passport is included, and in the event of a request that somebody surrender their passport if they appear in court. As long as those two things are now happening expeditiously, I venture the suggestion that the problem being talked about today is unlikely to recur through a mechanism of failure of notification. Having listened to the exaggerated froth that has come from Opposition Members this afternoon, I simply add that the single biggest change is the exit checks that my right hon. Friend is responsible for introducing.

Mrs May: My right hon. and learned Friend is right about the importance of the exit checks that have been introduced. He asks about notification in relation to when the surrender of a passport is requested. Passports will be surrendered under different powers and in different circumstances so the whole process will be carried out on a case-by-case basis. For example, when a royal prerogative is being exercised a different process will potentially be used from when a police bail decision has been undertaken. In the latter case, it is up to the police to determine the speed with which it is necessary to remove the passport.

Angela Crawley (Lanark and Hamilton East) (SNP): The contents of this video are utterly abhorrent, and we hope that appropriate measures are taken to clarify the identity of this individual as swiftly and accurately as possible. A reasoned and proportionate response to this threat is essential. The Scottish National party is committed to supporting all efforts to counter terrorism and to working to safeguard the lives of citizens of this country. If someone has a passport removed as a condition of their bail, are additional options open to a judge to prevent that person from fleeing the country? What more could have been done or can be done in similar circumstances?

Mrs May: I thank the hon. Lady for her comments about the video, echoing the remarks that both I and the shadow Home Secretary made about the appalling and barbaric nature of not only the video, but the organisation of Daesh. She referred to bail that has been ordered by a judge, but of course bail will often be ordered by the police. If someone has not been charged with an offence, the police will determine their bail to return on a particular date and the conditions applied to that bail. As I have indicated, there are a number of processes whereby other measures can be taken. For example, if the police determine at the port, under the new powers that we have introduced, that somebody's passport should be temporarily removed for further investigation, that can lead to its permanent removal through a royal prerogative being exercised or to other action being taken. The exercise of a terrorism prevention and investigation measure—a TPIM—can also contain measures aimed at preventing an individual from travelling. All of these decisions as to which powers should be exercised are taken on a case-by-case basis.

Dr Julian Lewis (New Forest East) (Con): I have formed an impression from media coverage, which may not be accurate, that a disproportionate number of violent Islamist extremists are converts to the Muslim faith. Is there any basis for that impression and, if there is, has any analysis been done about the way in which these people were converted in the first place?

Mrs May: I am not aware of any figures that show overall what proportion of jihadists have previously been allied to another faith and have converted to Islam. It is certainly the case that there have been reports in the press, obviously recently but also previously, of individuals who have converted to Islam. A lot of work has been done and continues to be done on this whole question of how people are triggered into radicalisation and terrorist activity. In most cases, a number of factors come together that lead to an individual

becoming radicalised, potentially to the point of undertaking violence. What we do with our counter-radicalisation programmes, particularly with Prevent and Channel, is aim to interrupt that process and stop people who have started down that route to radicalisation.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I am asking not about the vile video that the Home Secretary has rightly condemned, but about Siddhartha Dhar and the factual questions that have been raised. Will she tell the House when she was told that he had absconded, whether she asked for an inquiry and also whether the Home Office holds figures on the number of people who abscond while on police bail for terrorist offences?

Mrs May: I said that I would not speak about the individual who has been named in the press. I apologise to the shadow Home Secretary, because he did ask me about the number of people who have absconded while on police bail for terrorist offences. Those figures are not collected. Figures are collected for the number of people who are convicted of failing to surrender to bail, but those are not separated into those who have undertaken terrorist offences.

Mr Keith Simpson (Broadland) (Con): My right hon. Friend has been working closely with her opposite numbers in the EU—Ministers of the Interior and so on. Will she update the House on what further co-operation is now taking place given the fact that, over the past six months, there have been a number of incidents in which intelligence exchange has obviously failed?

Mrs May: My right hon. Friend has raised an important issue. There has been considerable progress recently in looking at the exchange of information between intelligence services around the European Union. I am talking about not just the exchange of intelligence that takes place between intelligence services, but the role of Europol. I have been talking with my opposite numbers specifically about a better exchange of information on criminal records, including terrorism offence records, further to enhance our ability to identify people who may pose a threat and to take the appropriate action. As I said earlier in response to the shadow Home Secretary, we are also looking at how the SIS II system can be improved to ensure that maximum information is available and dealt with properly.

Mr George Howarth (Knowsley) (Lab): The Home Secretary is aware of the fact that Daesh is probably the most media-savvy terrorist group that ever existed. It is very welcome that, through a combination of the police and their partners in the industry, 1,000 pieces of content are taken down every week, but for that to happen those pieces of content must have been put up in the first place. Will she undertake to ask the internet providers to monitor more closely content going up so that it does not get on there in the first place?

Mrs May: The right hon. Gentleman raises a very important point. A number of initiatives are already taking place. In the UK, we hold a regular dialogue with the internet service providers. In December, the European Commission brought together EU Interior Ministers with representatives from some of the major internet service providers to discuss precisely those issues about how we can better prevent material from getting

on to the internet in the first place and ensure that that material can be taken down. Here in the UK, we have had a long-standing view—across both the previous Labour Government and this Government—that we should work with the internet service providers to encourage them to use their terms and conditions as far as possible to remove material so that it is not available to promote that sort of propaganda.

Richard Fuller (Bedford) (Con): A key part of our counter-terrorism narrative is that in the United Kingdom we respect religious freedom, which makes even more disturbing the increasing reports of verbal and physical assaults on ladies who wear a veil or hijab while out shopping or taking their children to school, so can my right hon. Friend assure me that she will carefully monitor the number of such incidents and the effectiveness of the police's response?

Mrs May: My hon. Friend, too, raises an important point and I can assure him that through the reports to Tell MAMA we look at the instances of Islamophobia that take place, as well as looking at the instances of anti-Semitic incidents that take place. We are committed to ensuring that police will now record hate crime which has an Islamophobic element to it so that we can get a better understanding of exactly what is taking place.

Fiona Mactaggart (Slough) (Lab): The Home Secretary is aware that the terror threat was already “severe”, which means that a terrorist attack is highly likely. In view of the content of this vile video and the imminence of the first anniversary of the *Charlie Hebdo* attacks, has she put in place better protection for UK media, institutions and citizens against an attack within the UK?

Mrs May: We constantly look at the measures that we need to take here in the United Kingdom to protect against an attack. Following the *Charlie Hebdo* attack, discussions were held by the police with various media outlets to discuss with them their security. Of course, following the terrible attacks that took place in Paris on 13 November last year, we have looked further at the whole question of protective security. The right hon. Lady is right—the current national terrorist threat level is at “severe”—a terrorist attack is highly likely. The decision as to what that threat level should be is a matter for the independent joint terrorism analysis centre.

Henry Smith (Crawley) (Con): In 2014 I was very grateful to my right hon. Friend the Home Secretary for increasing Prevent funding to Crawley constituency. Can she give assurances to the House that she will continue those efforts to ensure that young British Muslims are not tempted by the vile and sick propaganda of Daesh that she has rightly condemned?

Mrs May: I can absolutely give my hon. Friend that assurance. We have taken a number of steps in relation to an uplift in Prevent funding that is taking place. Also, an important step that we took was putting the Prevent duty on a statutory basis. From everything I have heard, I think that is already having an impact out there and ensuring increasingly that those in the public sector who come into contact with young people and others, but particularly young people, are looking to spot the signs that somebody may be being taken down the route of radicalisation, and to take appropriate action.

Mr Alistair Carmichael (Orkney and Shetland) (LD): The House will understand and accept the Home Secretary's concerns about interfering in a live police investigation, but she must surely accept that the information that is already in the public domain risks undermining public confidence in the police bail system. She or somebody in the police service today or some other time will have to give the information to the public to assure that there is no risk as a result of the operation of that system. The videos that we are concerned with today are—it is almost trite to say it—abhorrent and horrific, but they are merely the symptom of the wider disease of radicalisation. It is believed by many people that the radicalisation process is funded from sources in Saudi Arabia. Will the Home Secretary undertake today to investigate whether that is the case and, if it is, will she undertake to do what is necessary to shut off that source of funding?

Mrs May: The right hon. Gentleman raises an important point about looking at the source of funding for extremism and terrorism here in the United Kingdom. There is a specific piece of work that we will be undertaking, which the Prime Minister referred to when he gave his statement to the House in November in relation to Syria. That will be done through the extremism analysis unit that has been set up in the Home Office, looking specifically at the funding of the extremism here in the United Kingdom.

John Stevenson (Carlisle) (Con): I appreciate the work of the security services and the police in dealing with counter-terrorism. Clearly a great deal of their work is focused on overseas issues and security within the capital. Can the Home Secretary assure me that she is confident that enough counter-terrorism work is being done to ensure the safety and security of the British people in other cities and towns up and down the country?

Mrs May: I hope that I can reassure my hon. Friend by saying that counter-terrorism units exist not just in London, but elsewhere in the United Kingdom. Following the Paris attacks last November, a piece of work has been started—we are now finessing it—in relation to armed police response, looking across the United Kingdom to ensure that we have the appropriate numbers of trained armed officers in the right places.

Mr David Hanson (Delyn) (Lab): Of course, the Home Secretary has form when it comes to absconding. Can she update the House on the current whereabouts of Ibrahim Magog, who absconded in a black cab in January 2013? Can she update the House on the whereabouts of Mohamed Ahmed Mohamed, who absconded wearing a burqa in November 2013? Both were on terrorism prevention orders at the time, under the instruction of the Home Secretary.

Mrs May: It is interesting that the right hon. Gentleman chooses to speak about previous absconds, because I seem to recall that seven people absconded under the Labour Government's control orders, only one of whom was ever found.

Jason McCartney (Colne Valley) (Con): The Home Secretary quite rightly said that there has been enhanced funding for the security and intelligence services, but may I ask—this adds to the point my hon. Friend the

Member for Carlisle (John Stevenson) made—that those extra resources and armed response units also go to our regional towns and cities, not just the capital?

Mrs May: As I indicated in response to our hon. Friend the Member for Carlisle (John Stevenson), the work that we are undertaking looks across the country at what is appropriate for armed response availability and response times. There will be an uplift in the number of armed officers within the police. As I have said, the exercise is looking precisely at how that should be done and where those officers should be, and it is not only looking at London.

Gavin Robinson (Belfast East) (DUP): I thank the Home Secretary for yet again putting clear blue water between our fellow Muslim countrymen and those who are extremists and involved in terrorism within this country. To reinforce that point, does she accept that it would be better to pursue counter-extremism and counter-terrorism right across the country, irrespective of geographic location, race or creed? With that in mind, are there any aspects of the counter-extremism strategy that could be operated in Northern Ireland?

Mrs May: I thank the hon. Gentleman for the confidence he has shown in the counter-extremism strategy and in the work that we have developed and are developing on counter-extremism. As he knows, we have had discussions with the devolved Administrations on how the strategy should apply in those parts of the United Kingdom, particularly Northern Ireland and Scotland. Of course, work is already undertaken in Northern Ireland, in a separate strand of action, and that has been shown to be very valuable. Obviously, as he will be aware, at the moment the counter-extremism strategy that we are developing does not apply to Northern Ireland.

Alex Chalk (Cheltenham) (Con): Internet-based propaganda does a huge amount to radicalise and brainwash people living in the UK into planning atrocities or travelling abroad to fight. Does my right hon. Friend agree that the additional resources invested in our security services, including GCHQ, which is based in my constituency, significantly enhance our ability to hunt that material down and remove it?

Mrs May: My hon. Friend is absolutely right. Importantly, we have enhanced the resources going into our security and intelligence agencies. He of course has a particular interest in GCHQ, given his constituency. The work being done there is very important, not just because of the information and intelligence that might be helpful in counter-terrorism, but because of what is done there to counter the cyber-security threat we face.

Stella Creasy (Walthamstow) (Lab/Co-op): Many people in Waltham Forest are extremely shocked at the possibility that someone who lived in our community could be involved in atrocities. They would want me to make it clear that we do not consider that he represents either our community or Islam, and we condemn utterly his ideals and actions. However, the Home Secretary will also be aware that there are growing concerns that innocent individuals and families may be unfairly caught up in the activities necessary to keep our country safe. Will she meet me and other MPs representing those UK citizens who have been denied the right to travel to

discuss their experiences and how we can reassure them that efforts to tackle terrorism are based on good intelligence and effective partnership, not prejudice?

Mrs May: First of all, I thank the hon. Lady for the remarks she made about Waltham Forest in her constituency and her constituents' condemnation of the barbaric activities of Daesh and anybody involved in them.

The hon. Lady asks me about the whole question of those who have been denied the opportunity to travel through the exercise of the royal prerogative. If she wishes to bring up particular cases, I am sure that the Minister for Security will be happy to meet her. But I have to say to her that on the one hand her party's Front Benchers are encouraging us to exercise greater powers and make greater use of the power to prevent people from travelling while she is indicating concern about it. They ought to get their story straight.

Mark Pritchard (The Wrekin) (Con): One of the chilling aspects of the latest Daesh video is the exploitation of a very young child. On the issue of the radicalisation of children, what progress is being made by the Home Secretary and the Secretary of State for Education on ensuring that all madrassahs are registered and that all of them, even those that are unregistered, are monitored in order to safeguard our national security and our national way of life?

Mrs May: We have been working with the Department for Education. My right hon. Friend the Secretary of State has been developing proposals for the registration of madrassahs, starting with those providing a certain length of time of more formalised teaching. Action is under way in relation to that particular issue.

My hon. Friend raises a matter that concerns many people about children involved in Daesh in Iraq and Syria—children who may be taken away by their families and taken abroad to that environment. In the last year, in a significant number of instances, court powers have been used to prevent families from going abroad. This is quite simply a safeguarding issue and local authorities are increasingly looking at the issue and taking action.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): When was the Home Secretary told that Siddhartha Dhar had breached his police bail conditions? What actions did she take as a consequence of that information?

Mrs May: I have been asked this question before and have said that I am not giving indications in the Chamber today about any particular individual. Decisions about whether somebody should be on police bail are taken by the police. They decide the conditions of police bail, and that is as it has always been.

Philip Davies (Shipley) (Con): Many of my constituents tell me that they are not particularly perturbed at radicalised extremists who are leaving the country, but they are very perturbed about them coming into the country. What could the Home Secretary tell us about what she is doing to make sure that these people are not allowed back into the country, whether they are British citizens or not?

Mrs May: We have taken a number of increased powers in relation to people who may be coming into the country to do us harm. First of all, we put our no-fly scheme on a statutory basis in legislation that we passed early last year. We also introduced in that same legislation the new temporary exclusion orders, which enable us to manage the return of individuals of concern when they are British citizens and cannot be rendered stateless. Decisions on that are taken on a case-by-case basis.

We also enhanced the ability of the Government to remove British citizenship from those who might be in the position of having alternative citizenship. We have increased our ability to take citizenship away from those individuals when there is a concern about the threat they might pose to the United Kingdom.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): Further to the question by my right hon. Friend the shadow Home Secretary, will the Home Secretary confirm what increase she has made in the number of Border Force staff to enable her to carry out full exit controls? When does she plan to have full controls for the people who are returning, and what implications will that have? How will she deal with the issue of biometric passports when people are returning on that basis?

Mrs May: For the benefit of the House, let me say that I think there are some inaccurate assumptions about the way in which exit checks are undertaken. It is not the case that every single exit check will be undertaken by a member of Border Force staff checking somebody's passport as they go through a point of exit. A lot of this information comprises data that are being gathered electronically, and it is therefore not necessary for Border Force staff to be available to undertake that task.

Matt Warman (Boston and Skegness) (Con): As well as propaganda online, much planning for modern terrorism takes place on the internet. The Home Secretary mentioned the draft Investigatory Powers Bill. Will she reassure the House that she is determined to come to a workable arrangement with the major internet companies to make sure that there is no safe space online to plot terror?

Mrs May: Absolutely. We continue our discussions with the internet companies on a variety of aspects, not least the operation of the forthcoming Investigatory Powers Bill and elements within it. It is important that we work with the internet service providers, which have a very key role to play in this area in relation to propaganda that can appear on their systems and the response that they give to warrant requests from the authorities.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Home Secretary will be aware of concerns I have had for a number of years about exit checks, following the worrying situation in which an individual known to the security services was able to travel with a passport from my constituency to Syria. Will she be absolutely clear on the point about exit checks? Are all individuals leaving the UK through a port of exit by commercial means being checked electronically at the point of exit on their passport, yes or no, and if not, why is that not being considered?

Mrs May: As I have indicated, the way in which the information is being taken varies from port of exit to port of exit. Some of the information in relation to flights, for example, is the advance passenger information that is available to the authorities and has been for some time. At other ports a specific swipe of a passport will be taken. All this information is being held electronically.

James Berry (Kingston and Surbiton) (Con): Does my right hon. Friend agree that it was quite right to conduct a review of the operation of the Prüm convention before deciding to opt into that convention before Christmas? Does she agree that cases like the one that the House is discussing today show why that was exactly the right decision?

Mrs May: My hon. Friend is right to point out that it was a sensible approach to look at a proper business case for going into Prüm so that we were not just making a decision based on no evidence. It was clear from the evidence available to us that there were advantages to Prüm, and I am glad to say that an overwhelming majority of Members of this House supported it. It is indeed absolutely right and it will be a very valuable tool for us.

Diana Johnson (Kingston upon Hull North) (Lab): I am not asking about the correctness of the decision to bail Dhar, but what I would like to know is this: did the Home Secretary learn from Home Office officials, from the police or from the media that he had absconded?

Mrs May: I think there is somehow, somewhere, a view on the Opposition Benches that Home Secretaries spend all their time scouring the media, or indeed anything else, looking at individual cases. As I said earlier, decisions as to whether somebody should be put on police bail are operational matters for the police. I receive regular security briefings from the police and from the security and intelligence agencies on individuals of concern and on high-priority cases.

Andrew Stephenson (Pendle) (Con): I welcome what the Home Secretary has said about the Government's work to stop Daesh poisoning young people's minds with its perverted ideology. Will she join me in praising community groups across the UK, including Building Bridges Pendle in my constituency, for their great work on community and inter-faith cohesion?

Mrs May: It is absolutely right that across the United Kingdom many groups are working very carefully and

very hard within communities to build bridges within their various faith communities. I commend Building Bridges Pendle, the organisation in my hon. Friend's constituency. One of the elements of the counter-extremism strategy that we are developing is precisely to try to find ways in which we can help those community groups to further enhance the work that they are doing to increase their voice so it is the mainstream voice that is heard.

Steve McCabe (Birmingham, Selly Oak) (Lab): I think the House, and maybe even the public, might be interested to know what interest the Home Secretary thinks she is protecting by refusing to tell us when she was advised that Siddhartha Dhar had absconded and whether she did anything about it.

Mrs May: I am not protecting any interests.

Suella Fernandes (Fareham) (Con): Daesh represents such a serious threat largely because of its widespread use of technology and social media to radicalise people in their bedrooms, on their smartphones, covertly but sadly compellingly. Does my right hon. Friend agree that our security services and police need special powers to collect internet connection records and bulk communication data to protect the nation's security and stay ahead of the terrorists in this complex environment?

Mrs May: My hon. Friend puts her point extremely well and she is absolutely right. It is important that we are able to access these internet connection records and to have the powers that we are hoping to introduce in the Investigatory Powers Bill. It is entirely right that the Government should continually look to see what further measures we need to take to enhance the powers of the police and security and intelligence agencies to keep us safe, and that is exactly what we are doing.

Ruth Smeeth (Stoke-on-Trent North) (Lab): Given recent events, will the Home Secretary let us know when we will finally have the counter-extremism strategy?

Mrs May: I am not able to give an absolute date for the hon. Lady, but I hope to be in a position to be able to—[*Interruption.*] In fact, the counter-extremism strategy has been published, and we are now looking at the question of the legislation that we would undertake through it. The specific piece of work by Louise Casey on the cohesion of communities will not be available for some weeks, or potentially months, because it is ongoing. I would hope to be able to update the House soon on any legislative proposals.

Flooding

5.57 pm

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): With permission, Mr Speaker, I would like to make a statement about the impact of Storm Eva, which brought flooding to the north of England between Christmas and the new year. I want to express my deepest sympathy for all those who have been affected across the UK. The Prime Minister, Ministers and I have visited the affected towns and communities and seen for ourselves the terrible impact that this flooding has had on homes and businesses in Lancashire and Yorkshire. I pay tribute to the tireless work of the emergency services, the military, the Environment Agency, council workers and other responders and volunteers. Many people have not had time with their families over Christmas, and they came from as far afield as Norfolk and Somerset.

The Met Office confirmed today that we have had the wettest December in a century. In fact, the north-west faced the wettest December on record. Later in the month, rain fell on saturated ground, meaning that all the rivers in Lancashire were at record levels, and Yorkshire rivers such as the Aire and the Wharfe were up to 1 metre higher than they have ever been. This resulted in the flooding of about 9,000 properties, which, together with the earlier flooding in Cumbria, brings the total to about 16,000 flooded properties in England. While of little consolation to those who have been flooded, it is important to note that flood defences have protected over 20,000 properties from being flooded during December.

In order to deal with the forecast rainfall, I convened Cobra meetings on 23 December and on Christmas day. The Environment Agency, emergency services and the Army worked through the night deploying temporary defences, rescue boats and pumps, and warning and informing residents.

On Boxing day, I chaired a further Cobra meeting to assess the impacts and ensure that local responders were receiving all the support required to deal with a situation of that scale and gravity. That day, I travelled to Yorkshire and Lancashire with the chief executive of the Environment Agency, Sir James Bevan, to ensure that all that could be done was being done.

The Prime Minister chaired a Cobra meeting on 27 December and visited Yorkshire. About 600 military personnel were deployed in support of the operations, with a further 1,000 on standby. The RAF played a vital role in delivering power generators to the Foss barrier in York and repairing defences in Croston in Lancashire, using a Chinook helicopter.

Since Storm Eva passed, our focus has been on doing everything we can to help Yorkshire and Lancashire get back up and running. The Prime Minister announced that £40 million would be spent on repairing defences, including £10 million on upgrading the Foss barrier with new pumps to ensure that it can cope with higher volumes of water. We are providing £60 million of help for local residents, businesses and farmers. That help has been provided in record time. Storm Eva took place on 26 December and we made the first payments to local authorities on 29 December so that they can help businesses and residents straight away.

The speedy repair of the Tadcaster bridge is a national priority. Once we have identified a solution, the funding needed will be provided promptly. The flood recovery envoy for Yorkshire—the Under-Secretary of State for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill)—will convene a meeting in the coming days with local authorities, wider local representatives and Highways England experts, with the aim of finalising a plan early next week that can be put immediately into action. That will complement the work of the floods Minister and floods envoy to Cumbria and Lancashire, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart).

Work is already under way on our six-year programme to upgrade flood defences. This investment of £2.3 billion is a real-terms increase on what was spent in the last Parliament, which itself was a real-terms increase on what was spent between 2005 and 2010. It includes £280 million in Yorkshire and £120 million in Lancashire. In January 2015, work commenced on a new £33 million scheme to protect the centre of Leeds, and projects for the Humber, Rossall and Calderdale are in the pipeline.

In the light of recent events, we have commenced a national flood resilience review to ensure that the country can deal with increasingly extreme weather events. The review will look at forecasting and modelling, resilience of key infrastructure and the way we make decisions about flood expenditure. In particular, we will ensure that the Leeds scheme would cope with the new levels of rainfall we are now seeing. The work of the Natural Capital Committee, to which I have reappointed Dieter Helm as chair, will complement that. It will further develop the catchment-based approach we are now using for our environment planning, including slowing the flow upstream.

I am sure the whole House will join me in expressing our sincere sympathy to those who have been affected by these extreme weather conditions and subsequent flooding. The Government will continue to do what it takes to get those areas up and running and prepare for future events. I commend this statement to the House.

6.3 pm

Kerry McCarthy (Bristol East) (Lab): I thank the Secretary of State for her statement and for advance sight of it. I join her in paying tribute to the emergency services and armed forces, to the efforts of the many Environment Agency and local authority staff who came back from their leave over the festive period, and to the many volunteers who helped.

Last week, I visited the constituencies of my hon. Friends the Members for York Central (Rachael Maskell) and for Halifax (Holly Lynch) and the neighbouring Calder Valley constituency. It is difficult to convey the devastation in those communities, but our sympathy is not enough. The urgent priority, of course, is to ensure that people have a roof over their heads and can return to their own homes as soon as possible; that businesses, schools, and other local services can reopen as soon as possible; and that the infrastructure is repaired and restored.

Each time this happens, we are assured that the Government will learn the lessons, so I have a few questions for the Secretary of State. Why did the

[Kerry McCarthy]

Government choose to ignore warnings from the Committee on Climate Change that they needed a strategy for the increasing number of homes at flood risk, and the warning from the Association of Drainage Authorities that the cuts had put homes and businesses at risk? What action did the Secretary of State take in October after Professor Colin Mellors warned that the authorities in Yorkshire would have to look at where to discontinue maintenance because of cuts? Flood-hit communities will also want to know why the national flood resilience review was not instigated earlier.

How is the public to have confidence in another Cabinet Committee chaired by the Chancellor of the Duchy of Lancaster, the right hon. Member for West Dorset (Mr Letwin)? What happened to his last one, which was set up after the Somerset floods and then disappeared? Does the Secretary of State agree that it needs to be an independent review in order to have any credibility?

If flood protections are a priority, why did the coalition Government set out to cut flood spending by 10%, and why are this Government spending less this year than was spent in 2010, when, as Pitt warned, year-on-year real-terms increases are needed to keep up with the growing risk?

The Secretary of State has told us repeatedly about the £2.3 billion capital budget over six years. Is she satisfied that it takes into account the impact of previous capital cuts and cancelled schemes and that it is enough, given that the Government have underestimated the climate change risk? Will she finally address the revenue budget? We still have no firm commitment on maintenance spending beyond protecting an inadequate budget.

The Secretary of State is hoping to step over a £2.5 billion hole in the maintenance budget. Are the Government going to commit to investing the £800 million a year in the maintenance and strengthening of flood defences that the Environment Agency has said is required to protect our communities? Every £1 spent on flood prevention saves £8. The Secretary of State needs to remind the Chancellor of that.

I note that the Secretary of State did not mention the EU solidarity fund. I would be grateful if she could clarify why the Government have so far not applied to it.

I welcome the Secretary of State's mention of the natural environment, which must be central to any efforts to reduce flooding, but I have yet to be convinced that the Government are undertaking the "complete rethink" that the Environment Agency has said we need. I would be grateful if she could tell us more about how she will work with landowners and managers on those upstream measures that are so badly needed.

Rather than a sticking plaster response every time the floods hit, with vague promises and random numbers that are forgotten by spring, we need a long-term, co-ordinated approach. Our priority must be making sure that communities in flood-risk areas across the whole country do not endure another Christmas like this one, and that needs leadership from the Secretary of State now.

Elizabeth Truss: First, we have learned lessons from previous flooding incidents. That is why we were holding Cobra meetings throughout Christmas and

deployed the Army immediately to support people on the ground, and made sure that people's homes and lives were protected and that 85% of all of the temporary flood assets were deployed in Yorkshire and Lancashire in the immediate rescue effort. That was extremely important.

We have also learned the lessons in terms of supporting communities and those people who have been out of their houses. I saw for myself the devastation. I saw the Christmas presents by the side of the street and the very difficult circumstances that people are in. That is why, within three days, we had money in the local authorities' bank accounts so that they could help those communities get back on their feet.

The hon. Lady talks about the long term. The fact is that under the Labour Government there was an annual budget process for flood defence spending. They spent £1.5 billion when they were in government between 2005 and 2010; we are spending £2 billion over the course of this Parliament. For the first time ever, we have set out a long-term programme of six years so that those communities can have the security they need. That is why we are already building new flood defences in Leeds and planting trees right across the country to help slow the flow. Those things require long-term decision making and adequate funding. The fact that this Government have a long-term economic plan means that we have been able to invest in our flood defences and that we are able to lay out the long-term programme.

The hon. Lady asked about maintenance spending. We are increasing it in real terms. The Chancellor announced that in the autumn statement. It is £171 million and it will go up in real terms.

We are also empowering local communities. We have set up the Somerset Rivers Authority, to which the Secretary of State for Communities and Local Government has given shadow precepting powers. We are also working on a Cumbrian floods partnership, to make sure that the local community is involved. We are taking a long-term approach to dealing with these problems, rather than engaging in short-term point scoring.

We have responded to the emergency very rapidly and learned the lessons of the past. People are able to get the funds to repair their homes and get back into them. That is what is important.

Nigel Adams (Selby and Ainsty) (Con): I am very grateful to the Secretary of State, the floods Minister, the Secretary of State for Communities and Local Government and the Prime Minister for visiting the Selby district following the dreadful floods and for offering help and support.

The Secretary of State saw for herself last week the aftermath of the partial collapse of Tadcaster bridge. I am delighted that she has reiterated that its replacement and repair are a national priority. I have been in regular contact with North Yorkshire highways department and North Yorkshire County Council, and I know that they have been considering all the options for a temporary solution across the Wharf. Will she join me in urging North Yorkshire highways to ensure that a solution is put in place as a matter of urgency and that it has the necessary funding to do that? It also needs the funding

to start the repair of the collapsed bridge, which apparently may take up to a year, without delay, so that the residents of east and west Tadcaster are reunited.

Elizabeth Truss: I pay tribute to my hon. Friend for all the work he has done to support his local community in Tadcaster. I visited local businesses with him. We saw the Army, which was there to help out, and a massive group of volunteers helping out. I know that people there are desperate to put the town together again so that people can cross over to the other part. That is an absolute priority for the Government. The floods envoy, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), who is sitting on the Front Bench, is charged with coming up with a plan early next week to ensure that we get the bridge in place as soon as possible.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): I, too, pay tribute to the emergency services, volunteers, local authorities and others who worked tirelessly over the holiday period to protect homes and help families left devastated by the floods. Scotland was hit extremely hard, but my SNP colleagues and I fully appreciate that devastation was caused right across the UK. Our sympathies are with everyone who has been affected.

The Scottish Government take flood prevention very seriously. However, as we have seen, exceptional rainfall still presents huge challenges. The reduced financial award made to Scotland by the Government has forced Ministers in Edinburgh to make difficult decisions. As a result of the cutbacks, the grant in aid provided to the Scottish Environment Protection Agency has been reduced by 6%. However, Scottish Ministers have ensured that the flood forecasting service, which is undertaken by SEPA, has had its funding protected in its entirety. It is important to make it crystal clear that flood prevention is not a SEPA responsibility. North of the border, local authorities are responsible for it as part of their capital settlement. Councils have historically received strong support from the Scottish Government.

The Flood Risk Management (Scotland) Act was passed by the Scottish Parliament in 2009 and a further 42 protection schemes are proposed between now and 2021. On top of that, an extra £4 million has been directed to support flood-hit householders, businesses and councils, including in my borders constituency. Of course, the Bellwin scheme has also been activated. All in all, that is a comprehensive response.

There certainly seems to be—*[Interruption.]* As the third party, we are entitled to make a statement. So far, we have heard no mention of Scotland. There certainly seems to be less scepticism about the actions of the public agencies in Scotland than in England. At the weekend, I received an email from my cousin Kirsty, who lives in Yorkshire. She told me that her community felt angry and powerless at what it saw as a completely ineffective response. Her message said:

“The Tory government have completely failed us. And I believe they will continue to fail us. If it’s not in London or the Home Counties, they don’t care.”

That is not the response felt in Scotland—*[Interruption.]*

Mr Speaker: Order. Let me try to help the hon. Gentleman by making two points. I am being very fair-minded about this. First, as he is representing the

third party, he certainly does have—and rightly has—longer than Back Benchers. That has always been the case and will always be the case. I will protect his rights and those of his colleagues.

Secondly, although the hon. Gentleman probably used it as a figure of speech, he certainly does not have a right to make a statement. What he has a right to do, at slightly greater length than other colleagues, is to make some opening remarks by way of response to the Secretary of State, but those need to be followed speedily by a series of questions. All that needs to take no more than two minutes—*[Interruption.]* Order. He has taken considerably longer than that.

These are very sensitive matters and I have no desire to spoil the hon. Gentleman’s opportunity today, but he does need to get to his questions and briefly to get through them.

Calum Kerr: Thank you, Mr Speaker, for that guidance. It is appreciated.

The scepticism that I have outlined is in sharp contrast to the response we have experienced in Scotland. Friends of the Earth Scotland is one organisation that agrees that flooding is a higher political priority north of the border.

Given the Scottish Government’s response, I ask the Secretary of State to reflect on Scotland’s experience and on our comprehensive approach to flood prevention to see whether there are lessons for her. Finally, will she assure my cousin Kirsty and communities like hers that the Government really do care?

Elizabeth Truss: As the House is aware, this is a devolved matter. We have worked closely with the Scottish authorities to share information and expertise while the floods are happening.

We are doing all we can to help the people of Yorkshire get back on their feet as soon as possible. That is why the financial support was made available within three days of the flooding taking place. I wonder what the record is in Scotland.

Julian Sturdy (York Outer) (Con): I pay tribute to the emergency services, the Army, the Environment Agency, York City Council and the huge number of volunteers for the speed with which they acted and worked together across York at a very difficult time for our city. However, other utilities were slightly slower to act. Telecommunications were down in York, which hindered communications right across the city. What will the Secretary of State do to ensure that all utilities act speedily and with urgency?

Elizabeth Truss: I pay tribute to my hon. Friend for all the work that he has done to raise the concerns of local residents. It was good to meet him at the Environment Agency’s headquarters in York to talk about the situation. Telecommunications are critical. One issue has been that bridges, such as Tadcaster bridge and Elland bridge, carry critical communications infrastructure. The Department for Culture, Media and Sport is part of the Cobra meetings and we have expedited getting those services back up and running.

Holly Lynch (Halifax) (Lab): My constituency of Halifax and the neighbouring constituency of Calder Valley were devastated by the floods on Boxing day.

[Holly Lynch]

Will the Secretary of State join me in thanking the army of volunteers that came to Calderdale and played an instrumental role in the clean-up? Will she meet me and representatives of Calderdale Council to discuss the bridges and infrastructure projects that have just been mentioned, which will be essential in getting Calderdale back up and running?

Elizabeth Truss: The hon. Lady is absolutely right. Calder Valley was very badly affected. We have schemes in the pipeline for Mytholmroyd and Hebden Bridge. I will ensure that those are sufficient as part of the review we are conducting. The Secretary of State for Transport is conducting a review of all the affected infrastructure to make sure we get back on track. The hon. Lady can rest assured that Elland is definitely on our list.

Craig Whittaker (Calder Valley) (Con): Todmorden, Hebden Bridge, Mytholmroyd, Elland and Brighouse are five of the six Calder Valley communities that were not just hit by floods but, in some cases, decimated by them—and this just three and a half years after the last floods. More than 2,000 homes have been hit. Despite the pain and misery, will the Secretary of State join me and my hon. Friend the Member for Halifax (Holly Lynch) in paying a huge tribute not just to dozens of volunteers, but to the hundreds and hundreds of volunteers who came from all over the UK? May I, in the light of the current undertones of Islamophobia in our country, pay an incredibly special tribute to the small armies of young Asian men and women—Muslim, Sikh and Hindu—who came with mops, buckets, food, vans, lifting materials and all sorts, and played a huge part in the recovery?

Elizabeth Truss: I thank my hon. Friend for his question—we talked on Boxing day because the Calder valley was such a hard-hit area, and ensuring that the right support was in place for those communities was vital. He is right to highlight the community spirit that we saw across Yorkshire and the Calder valley; and people came out around the country. That was tremendous, and I praise them for all their work.

Rachael Maskell (York Central) (Lab/Co-op): I thank public sector workers and the incredible volunteers for the outstanding support that they gave residents and businesses in York over Christmas. Successive reports over many years by the Environment Agency and the city council have highlighted the risk that the Foss barrier in York would not be able to manage the capacity of water in the River Foss at times such as this. Given that that concern has been consistently highlighted for years, why were the barrier pumps not upgraded, as that could have saved hundreds of homes and businesses from flooding?

Elizabeth Truss: I was also pleased to meet the hon. Lady at the Environment Agency's offices in York. The Foss barrier was under review at the time the incident happened, and the Prime Minister has said that he will spend £10 million of Government money on upgrading that barrier to ensure that it has sufficient pumping capacity to deal with the additional volumes. In all rivers across Yorkshire and Lancashire we are facing higher river flows than we have ever seen before, and we

must consider our defences in light of that. We have made an initial commitment to upgrade the pumps at the Foss barrier, and we will certainly look more widely to ensure that we are sufficiently resilient to deal with these new weather challenges.

Richard Benyon (Newbury) (Con): I refer hon. Members to my entry in the Register of Members' Financial Interests. May I ask my right hon. Friend in the review that she is carrying out to ignore one piece of work and to read two other pieces? In the previous Parliament, the Public Accounts Committee published a report that more or less trashed the Pitt review, which is a really good piece of work. May I first suggest that she builds into her review, "Droughts and Floods: Towards a More Holistic Approach" by the UK Water Partnership? Secondly, Dieter Helm, whom she just referred to, has produced a paper that arrived in my inbox today called, "Flood defence: time for a radical rethink". His words about natural capital and the need to consider whole catchments is fundamental to understanding the weather patterns that we now have to cope with.

Elizabeth Truss: I pay tribute to my hon. Friend for his work as floods Minister. He is right, and the same paper from Dieter Helm arrived in my inbox today—I have read it and I think it makes some excellent suggestions. We have appointed Dieter as chair of the Natural Capital Committee for another term so that he can look at catchment-specific solutions. That is a very important part of how we become more resilient as a country.

Mary Creagh (Wakefield) (Lab): In 2011, the £180 million flood defence scheme that was planned for Leeds which would have protected businesses in Kirkstall was cut by the Secretary of State's predecessor. The new scheme planned for Leeds, which will be completed by 2017, will protect only the city from a once-in-75-years event, and will do nothing for businesses on the Kirkstall Road. Will she look again at that resilience review, and ensure that the £60 million scheme for the Kirkstall Road is included?

Elizabeth Truss: I thank the hon. Lady for her question, but I point out that the Labour party's proposal going into the 2010 election was to halve the amount that it would spend on capital spending. We increased spending on flood defence from £1.5 billion to £1.7 billion in that period. I have already said that I will look at the Leeds scheme to ensure that it is sufficiently resilient for the new conditions that we are facing, and I am happy to meet the hon. Lady and her colleagues to discuss that further.

Andrew Percy (Brigg and Goole) (Con): I declare an interest, because I live 15 feet from the River Aire, and I spent Boxing day onwards sandbagged in my house, as did many of my neighbours. I thank the Secretary of State for her telephone call and her concern for my constituency. As the most flood-prone area of Britain, we have been hit repeatedly, although this time we were a little better off. Will my right hon. Friend give me two assurances? First, will she assure me that in any review, the flood defence funding that has been announced for the Humber estuary and tidal tributaries will remain in place and not be affected? Secondly, can we consider the whole policy of the EA, which seems to be about moving water as quickly as possible from the upper

catchment down to people in the lower catchment in my area? We are already below sea level—water has to be pumped daily, and we need to be defended by banks that are 10 feet or higher.

Elizabeth Truss: I was happy to speak to my hon. Friend and ensure that he had sufficient sandbags in his area. I agree that we need to consider catchment management, and that is what the Natural Capital Committee will be doing. We have already seen successful pilots such as the Slowing the Flow project in Pickering in Yorkshire, which was effective. We must ensure that we are putting such measures in the right places, which requires whole catchment management and analysis. That takes time, but I agree that it is an important piece of work that we must get on with.

Mr Speaker: It is a pleasure to welcome back the hon. Member for Leeds West (Rachel Reeves).

Rachel Reeves (Leeds West) (Lab): Thank you for that welcome, Mr Speaker.

The flood envoy for Yorkshire suggested in the *Yorkshire Evening Post* today that the scheme that would have protected Kirkstall will be reinstated, but that is not my understanding. Will the Secretary of State indicate whether that scheme will be resurrected? If it had been in place, businesses on the Kirkstall Road would not have been devastated by the floods on Boxing day. We can never allow that tragedy to happen again—what will the Minister do?

Elizabeth Truss: As I mentioned in my statement, levels of water on the River Aire were a metre higher than they have ever been—we have seen simply unprecedented river levels. In light of that, the Government will be reviewing the Leeds scheme to ensure that it is sufficient to protect businesses and communities in Leeds.

Seema Kennedy (South Ribble) (Con): On Boxing day my constituency suffered widespread flooding, with the village of Croston the worst affected. I pay tribute to all the emergency services, the Environment Agency and the Lower Yarrow Flood Action Group which pulled together an amazing effort to protect Croston. Will my right hon. Friend confirm that there will be a review of river and watercourse maintenance across Lancashire, including in the constituency of my neighbour and hon. Friend the Member for Ribble Valley (Mr Evans), and that dredging of rivers—where appropriate—will be part of that review?

Elizabeth Truss: I pay tribute to my hon. Friend's work in ensuring that we had all the right information on the ground in Croston, and we had support from the RAF and the Environment Agency to keep the village protected. We are looking at the issue that she raises specifically in Cumbria, and I am sure that the floods Minister would be happy to meet her to talk about how we could extend those efforts to Lancashire.

Barry Gardiner (Brent North) (Lab): The Environment Secretary is aware that, of the 1,086 projects in the environment development programme, almost 519 are waiting for approval subject to securing other funding contributions. At the moment, the funding contributions

that are lacking amount to £350 million, yet the projects are supposed to start in two months' time. How will the Government ensure that those works go ahead?

Elizabeth Truss: One of the successes of our flood defence programme is that we have been able to secure additional money through partnership funding. From 2005 to 2010, we saw £30 million of funding under the Labour Government, whereas under the previous Conservative Government there was £134 million of funding, and this Government have already secured £250 million. We have plans in place to secure additional funding.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Will my right hon. Friend ask the national flood resilience review to look at where we build houses? Increasingly, we are building them on floodplains and in areas local people know will flood. We are building up a bigger and bigger problem for the future. Will she ask the review to co-ordinate with the Department for Communities and Local Government on where to build houses in the future?

Elizabeth Truss: The Communities Secretary is here and I am sure he will take those points on board. The national planning policy framework makes it very clear that inappropriate development on floodplains should be avoided, but ultimately this is a decision for local people to make, as is the case throughout the planning system.

Tim Farron (Westmorland and Lonsdale) (LD): I thank the Secretary of State for an advance copy of her statement, and for her activities and efforts, and those of her Ministers, over the Christmas period. They have not gone unnoticed. In paying tribute to the emergency services and voluntary outfits across the country, in particular mountain rescue services, we in Cumbria stand in solidarity and sympathy with all those in Yorkshire, Scotland and Lancashire who have suffered the brunt of this flooding.

It is a month today since Storm Desmond hit Cumbria, and there are many unresolved issues on which I wish to press the Secretary of State. The A591 north of Grasmere to Keswick remains closed, destroyed and impassable. Will she make this a national strategic priority and ensure that it is reopened as quickly as is humanly possible? The cost to Cumbria of infrastructure loss will be £500 million. Will the Government commit to fund every penny of that to make sure we get back on our feet? Will she commit to whole-system flood prevention measures, including the restoration of the River Kent flood defence scheme, which is currently shelved?

Elizabeth Truss: The A591 is a national priority. Highways England is working on that to restore it as soon as possible. That is extremely important. The Transport Secretary is here today, so I am sure he has taken that on board. Similarly, we will be looking at the funding of other infrastructure. The wider solutions are a priority for the Government, and the Natural Capital Committee is looking specifically at that. We are now developing our plans for the environment on a river basin and catchment basis. That is the way we look at

[Elizabeth Truss]

the environment. We are not looking at it in silos of flooding, biodiversity or farming; we are looking at it altogether, as a single plan.

Martin Vickers (Cleethorpes) (Con): Fortunately, my constituency was not affected on this occasion, but my right hon. Friend will recall the tidal surge that caused major problems to residents and businesses, particularly in the strategically important port of Immingham. She mentioned allocations for the Humber. Will she give an absolute assurance that that will not slip? When does she think she will be in a position to give more detail on it?

Elizabeth Truss: In response to my hon. Friend's question, and that of my hon. Friend the Member for Brigg and Goole (Andrew Percy), that scheme is very much on track and we are absolutely committed to it.

Huw Irranca-Davies (Ogmore) (Lab): The focus, understandably, has to be on how to make good the damage to lives and livelihoods. However, the Secretary of State mentioned Dieter Helm and his work. He said today:

"The most important single step to be taken now is an explicit recognition that the status quo is not only unsustainable, but is never likely to be sustainable. The worst reaction"—

to the current floods crisis—

"would be more of the same."

Will she take on board the lessons that Dieter is suggesting, including the need to look at rivers as national infrastructure and to have genuine water catchment management, including land use modifications where appropriate? How deep will she go in her thinking about a radical review of the approach to flooding?

Elizabeth Truss: Dieter's appointment was made mid-December, so we are currently working on the committee's terms of reference for the next five years. Combining this with our 25-year plan for the environment, and making sure we are looking at things on the basis of river basins and water catchment, is a great priority. We need to spend Government money more effectively. We need to understand better the interactions between our environmental measures, flood risk and flood management. That is very important. This is not something that can be achieved overnight. It takes thinking over a number of years. Planting trees and putting in upstream measures takes time. Building up flood defences takes time. That is why it is also important that we have a very strong emergency response effort. We are thinking about those things for the long term, which is why we set out, for the first time ever, a six-year plan for flood defences. It is why we are working on a 25-year environment plan, so that that is in place for the future.

Stuart Andrew (Pudsey) (Con): I, too, pay tribute to all those who worked so hard to help the victims, particularly in reopening the roads and rail routes to Leeds which many of my constituents use. I am sure all Leeds colleagues would like to take the Secretary of State up on her offer to meet to discuss the Leeds scheme. In the meantime, the council has said that it could do with using the emergency funds to revise phases 2 and 3 of the Leeds scheme. Can she confirm whether that would be possible?

Elizabeth Truss: I would need to look into that, but I am extremely happy to include my hon. Friend in a meeting of Leeds MPs.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I am very grateful to the emergency services, the Army and Wakefield Council for turning out at all hours in Castleford, Ferrybridge and Kirkthorpe when floodwaters threatened. Will the Secretary of State confirm that her review will cover the entire Aire valley, including Leeds and Castleford? Does she now accept that her Government were wrong to cancel parts of the Leeds floods defence scheme? We would not tolerate, rightly, inadequate defences in our capital city. We should not tolerate inadequate defences in our northern cities and towns as well.

Elizabeth Truss: I completely agree with the right hon. Lady. Protecting cities such as Leeds is absolutely vital, which is why I have committed to looking at the current scheme and making sure it is adequate given the new levels of rainfall and rivers. It is important to note that in Yorkshire and the north and east region we will be investing £54 a head over the next six years, compared with £42 a head in the south-east region. We are investing more in the north and east of England. In fact, many schemes are happening in Yorkshire: the Humber has been mentioned, but there is also the scheme in Leeds.

Mr Nigel Evans (Ribble Valley) (Con): I, too, would like to pay tribute to the countless number of people who gave up their Christmases, in an amazing display of selfless humanity, to help during the floods and with the mop-up that is still, of course, continuing. When the Secretary of State came to the Ribble valley with the chief executive of the Environment Agency, she not only saw the devastation but many people who do not have the luxury of choice between paying eye-watering levels for insurance premiums with massive excesses or going on holiday. The fact is that if they are on low incomes they either spend the money on living or on premiums for flood insurance if they can get it. I ask her to look at this again. We know that the new insurance scheme is coming in April, but that does not help the people who are hurting now. Can she give an assurance that she will look at the levels for people who were not insured during these floods and that extra financial support will be given to them where necessary?

Elizabeth Truss: I was struck by what my hon. Friend showed me in the village and how people had been affected. The river had diverted and was a torrent going down the street. We saw people's homes and possessions decimated. It is truly shocking and we will do all we can to help those people get back on their feet and into their homes. We have provided funding to the local authority and they can apply for it. We have pre-funded it, so it is now a much simpler scheme. Rather than people having to get receipts, they can apply directly to the council for the funding.

Caroline Lucas (Brighton, Pavilion) (Green): I am glad to hear the Secretary of State's support for catchment-wide approaches and more natural flood management schemes based on the restoration of landscape and so on. She mentioned the Pickering scheme, but I would also highlight the Sussex flow initiative. Those schemes

work but often struggle to get funding, so will she tell us how much money she will commit to natural flood management schemes over the lifetime of this Parliament, and will it be in addition to the £2.3 billion already committed?

Elizabeth Truss: DEFRA spends money on a variety of objectives, including on improving the environment, countryside stewardship by farmers and flood defences. My view is that we can get better value for money by improving the environment and our resilience to flooding. For me, this is about spending our money better and planning for the future better.

Alec Shelbrooke (Elmet and Rothwell) (Con): I thank the Secretary of State for coming to the Yorkshire area—she did not come to my constituency but she was next door. In Collingham, the Avenue was flooded when water came over the flood defences—I thank Leeds City Council for its work in trying to sort out those flood defences. In the south of my constituency, in Methley and Mickletown, the EA's plan to hold water in the farmers' fields worked, but the water was lapping at the doorsteps of many houses in Mickletown. May I urge her to be careful about schemes in Leeds that are designed to go only as far as Woodlesford, further upstream? That extra water would have taken out dozens of homes in my constituency that, as it was, survived the flooding. Will the Under-Secretary of State for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), visit my constituency as soon as possible to see the devastating effect that schemes further upriver in Leeds could have in Mickletown and Methley?

Elizabeth Truss: My hon. Friend highlights the need for proper catchment-wide management. As well as meeting my hon. Friend the flooding envoy, I suggest that a meeting with the EA would also be helpful.

Robert Ffello (Stoke-on-Trent South) (Lab): I draw the House's attention to my entry in the Register of Members' Financial Interests.

I pay tribute to all those who gave up their time, put their lives at risk and worked hard to save people, but I was frustrated at the sight of people being hauled into small inflatable dinghies simply because the professionals we rely on did not have the necessary kit. There are vehicles that can drive down flooded streets rescuing people not one or two at a time but 15 or 20 at a time. Will the Secretary of State agree to meet me and representatives of the professional heavy vehicle recovery industry, which has and can deploy that kit, to make it available?

Elizabeth Truss: It is important that we deploy the best kit, and a big effort was made on Christmas day to deploy that kit in Lancashire and Yorkshire to protect people. We rely on those in charge of operations, the local gold command, to decide how to deploy kit, but the floods Minister will be happy to meet the hon. Gentleman to discuss how we might do things better in the future.

Philip Davies (Shipley) (Con): I thank the Secretary of State, the floods Minister and the Under-Secretary of State for Communities and Local Government, my hon. Friend the hon. Member for Stockton South

(James Wharton), for their magnificent support during the floods that decimated my constituency and their rapid response to requests for assistance, including for getting the Army in to help. What additional support can be given to the many businesses and homes trying to get back on their feet after the floods, particularly, as my hon. Friend the Member for Ribbles Valley (Mr Evans) said, those struggling with insurance claims, and how much will be provided for Shipley to help build the flood defences back up? Also, will she join me in paying tribute to the magnificent army of volunteers, particularly the Bingley support flood group and the Shipley Baildon support group, based in the scout hut and the Salvation Army premises respectively, who gave up much of their Christmas to help other people, and also their employers who allowed them time off work to help in those communities?

Elizabeth Truss: I thank my hon. Friend for his work in making sure that his local community had all the support it needed, and the fantastic volunteers who worked tirelessly throughout the Christmas period—a difficult time of year—and who gave up their time and their homes, and provided food and lodging for other people. I am happy to have further discussions with him about what needs to be done to make sure that the defences in his area are adequate.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): Many families, businesses and communities on Deeside in my constituency have been severely affected by flooding caused by Storm Frank. Homes have been evacuated and roads washed away. What discussions has the Secretary of State had with the Scottish Government and local authorities in Scotland about an application to the EU solidarity fund to make more money available to assist flood victims in Scotland and the rest of the UK?

Elizabeth Truss: We have been working closely with Scottish authorities during this incident, and we will certainly look at the solidarity fund, as the hon. Gentleman suggests, but we must bear it in mind that it would take seven months to receive any funding. We have put in place funding direct to the local authorities that residents and businesses can now claim—up to £5,000 to get a home or business back on its feet. I care about getting that support to those homes and businesses as soon as possible. That is the Government's priority.

Rebecca Pow (Taunton Deane) (Con): I would like to provide a bit of optimism for our poor flood victims up north. From my own checks over the recess and a report fed in by my mole—perhaps I should say “water vole”—on the Somerset levels today, I can report that the Government's protection and prevention programme put in place following the devastating floods in Somerset in 2013-14 is working. The dredging is proving effective—we have had masses of rain yet the river levels fell by 2 feet last night—as is the pumping being done by the Environment Agency. May I have an assurance that the Government will continue to support this protection and prevention work, including the important catchment-wide environmental work, so that we do not regress again?

Elizabeth Truss: The Somerset Rivers Authority is now established and my right hon. Friend the Secretary of State for Communities and Local Government has

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agreed a shadow precept. It is now for local people to decide where and when to dredge and how to maintain their watercourses. I want to see more of that across the country. We are developing the Cumbrian floods partnership so that local people can make decisions about what is best for their area.

John Woodcock (Barrow and Furness) (Lab/Co-op): The A590 in Lindal in Furness came close to flooding again during the Christmas storms. Will the Secretary of State beseech the Transport Secretary, who is sat just to her left, urgently to improve the anti-flooding measures on that stretch of this crucial trunk road, which connects my constituency with the M6? If, as we understand it, a particular landowner is holding out, as a result of which a compulsory purchase might be necessary, will she beseech the Transport Secretary to step in and sort it out as soon as possible?

Elizabeth Truss: My right hon. Friend the Transport Secretary is very happy to look at the matter.

Jason McCartney (Colne Valley) (Con): Planning plays a crucial role in flood prevention. Will the Secretary of State join me in pleading with Kirklees Council, which is currently consulting on its local plan, to think seriously about the implications for flood prevention further down the valleys in the Holme Valley and the Colne Valley, before it rubberstamps allocating greenfield sites such as Scholes, Cinderhills, Netherton and Slaithwaite for housebuilding?

Elizabeth Truss: The Environment Agency is a statutory consultee, and, as I mentioned earlier, the NPPF makes it clear that inappropriate development on flood plains should be avoided, but ultimately it is a matter for the local authority.

Diana Johnson (Kingston upon Hull North) (Lab): In October 2015, the Secretary of State turned down the £1.2 billion Humber tidal defence scheme. In the light of what has happened and the torrential rain, will she review that decision? Members from all areas of the Humber recognised that the area needed that scheme.

Elizabeth Truss: We are investing £80 million in defences for the Humber. I know there are further ongoing discussions with local MPs. We have to ensure that through our £2.3 billion budget we are fair to people across the country. There is a formula for making determinations, and one thing we shall look at in the national resilience review is how that formula works and how funding is allocated. Until then, we have to make sure that we are fair using the existing formula.

John Stevenson (Carlisle) (Con): I express my thanks to the Government and Ministers for their collective response to the floods. It was prompt, and I firmly believe it has been constructive and helpful to the people of Carlisle and Cumbria. However, will the Secretary of State give my constituents an assurance that not next week, not next month, but in six or 12 months' time, she will ensure that the Government are still offering support and help that flooded communities and businesses might still need?

Elizabeth Truss: Of course it is vital that we help not just the present recovery efforts to get people back into their homes and provide support, but we must also restore the infrastructure and great places such as the Lake District national park while providing the economic support required for the future.

Pete Wishart (Perth and North Perthshire) (SNP): The largest river system in the UK is in my constituency, and the biggest flow of water experienced by any community goes through the heart of the city of Perth. Today, large swathes of my constituency are under water, and there was a real fear last night that the flood defences in Perth might fail, which would have been utterly disastrous for my constituents, given the flow of water that comes down the Tay. Even if we had the most robust flood defences in the world it would do nothing if we do not tackle climate change. I know that flood defences are a devolved matter, but the Secretary of State could do something for us today if she stopped the disastrous decision to withdraw subsidy and support for onshore wind. That would enable us to invest in the technologies of the future, which might protect us in the future.

Elizabeth Truss: The hon. Gentleman will be well aware that my right hon. Friend the Secretary of State for Energy and Climate Change helped to secure an historic deal in Paris in December precisely to address that issue.

Sir Nicholas Soames (Mid Sussex) (Con): Has my right hon. Friend considered asking the Army, and particularly the Royal Engineers, to intervene, given that their skills—the sappers' skills—with bridging rivers is legendary, and they could easily and quickly replace the lost bridges?

Elizabeth Truss: The Royal Engineers are involved, and they have been involved in both Cumbria and Yorkshire, looking at finding possible solutions for those bridges.

Angela Smith (Penistone and Stocksbridge) (Lab): In her statement, the Secretary of State referred to the national flood resilience review that she has commissioned to ensure that the country can deal with increasingly extreme weather events. However, she did not respond to a request from the shadow Secretary of State to ensure that such a review should be independent. I ask her to respond to that request now because we need to underpin the integrity of this very important review by making sure that it is indeed independent and robust in its recommendations.

Elizabeth Truss: What we are doing through this review is involving key bodies such as the Adaptation Sub-Committee and the Natural Capital Committee and ensuring that all the findings are open and transparent. One of the key aspects of the review is looking at how Government systems work effectively, and we need to share such information more widely with the public. That does not require an independent review; it requires openness and transparency, to which I am committed.

Chris Davies (Brecon and Radnorshire) (Con): My constituency contains the wonderful and lovely River Wye and River Teme. They flow from the uplands of

my Brecon and Radnorshire constituency across Offa's dyke into Shropshire and Herefordshire, from which they usually flood. Thank goodness, they did not do so on this occasion. What discussions is my right hon. Friend having with the devolved Administrations about upland management and capture management?

Elizabeth Truss: The Welsh authorities have been very much involved in our flood response, as Wales has been affected. I will of course seek to engage my hon. Friend in that wider issue.

Sue Hayman (Workington) (Lab): The Government are providing funding for businesses that have suffered from the recent flooding. While I welcome that, local traders in Cockermouth have told me that it cannot be used toward resilience measures, which can come only out of capital expenditure. What businesses need now is help with those resilience measures to make sure that the next flood—there will be one—will be survivable. Many insurance companies will not fund the extra costs of resilience measures. At a time when affected small businesses in my constituency are haemorrhaging cash, what support can the Secretary of State offer in this respect? Following her earlier offer to Lancashire MPs, will she meet cross-party Cumbrian MPs to discuss these matters as well?

Elizabeth Truss: The Minister for Small Business, Industry and Enterprise, my right hon. Friend the Member for Broxtowe (Anna Soubry), visited Cockermouth. My understanding is that businesses can apply through the local enterprise partnership to get investment in those resilience measures, and I am sure that my right hon. Friend will be happy to take that forward.

Heather Wheeler (South Derbyshire) (Con): About 20% of South Derbyshire is in flood plains, so my constituents are aware and well attuned to when a crisis might hit us. Will my right hon. Friend conduct a review of how the Environment Agency has put out information and how it has been updated because some of my constituents do not feel that it has been timely enough?

Elizabeth Truss: I shall take up that point with the Environment Agency, whose website has had a lot of hits. Up-to-date information has been out there on river levels, but we are always looking at ways to improve that. The Environment Agency has a new chief executive, Sir James Bevan, who is keen to hear from MPs with suggestions for improvement. I will certainly feed through to him my hon. Friend's point.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I want to take the opportunity to pay tribute to volunteers and all those people in the emergency services who helped out not just in northern England, but in Scotland and Wales as well. I also want to draw attention to the A55, a dual carriageway in north Wales, which is of great UK and European importance because it links the economies of Ireland and Wales to the UK and wider European markets. Will the Secretary of State confirm that she will put pressure on the Labour First Minister in Wales to guarantee sufficient funding and a starting date for essential works to ensure that the A55 route is kept flood free at Talybont from now on?

Elizabeth Truss: I think that that is a matter for the Welsh Government.

Victoria Atkins (Louth and Horncastle) (Con): My constituents in Louth and Horncastle know only too well the devastation caused by flooding and will want me to express our sympathy for all those affected by flooding over Christmas. The beach replenishment scheme called Lincshore helps to protect the Lincolnshire coastline from the threat of tidal surges from the North sea, as my hon. Friend the Member for Cleethorpes (Martin Vickers) mentioned. Since 2010, the Government have invested millions in flood defences across my constituency, but these must, of course, be maintained. Will the Secretary of State meet me, other Lincolnshire colleagues, including my hon. Friend the Member for Boston and Skegness (Matt Warman), and council leaders as a matter of urgency to discuss the Lincshore scheme so that we can continue to protect Lincolnshire residents in the years ahead?

Elizabeth Truss: We have protected flood maintenance spending in real terms from the current level of £171 million. I am a great supporter of internal drainage boards and making sure that they are sufficiently empowered to do work. I am sure that the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart), who has responsibility for floods, will be happy to meet my hon. Friend to discuss this issue further.

Mr Jamie Reed (Copeland) (Lab): Following on from the question asked by the leader of the Liberal Democrats, will the Secretary of State commit to ensuring that the Government make the reopening before Easter of the A591 a national priority? On the £500 million or £600 million that the county of Cumbria needs to repair the damage caused by flooding, will the right hon. Lady ensure that it is linked to the outstanding devolution settlement of Cumbrian local government?

Elizabeth Truss: I thank the hon. Gentleman for his question. As I have said, the A591 is a national priority. For the first time ever we have Highways England working on it to ensure that that happens as soon as possible.

Mr Laurence Robertson (Tewkesbury) (Con): Although I am absolutely certain that most members of the Environment Agency did work very hard over the Christmas period, does the Secretary of State agree that institutionally the agency is often found lacking when it comes to flood prevention? It seems to lack dynamism, a cohesive approach and the determination to follow through with schemes, which the agency itself often identifies and which local people identify. In Tewkesbury we are well aware of the problems associated with flooding. I have to say that in my area there is a frustration about the operation of the Environment Agency.

Elizabeth Truss: I thank my hon. Friend for his question. As I said, I was in Yorkshire on Boxing day. What I saw on the ground was some fantastic staff from the Environment Agency working around the clock to protect lives and save people. That is vital. Of course, any organisation needs to learn and get better at doing things. We have a new chief executive, Sir James Bevan, who was with me in Yorkshire on Boxing day. He is clear that he wants to put people in homes and that that is the agency's No.1 priority. He is going to ensure that any issues raised by MPs are taken seriously and addressed.

Graham Jones (Hyndburn) (Lab): The River Calder runs through the very north of my constituency. I went into the Ribble valley to see the devastation caused in Whalley. It truly was a tragedy. In the south of my constituency, the River Irwell burst its banks dramatically, having burst its banks in 2012, and nothing has been done about it. I went to Irwell village on the periphery of my constituency, where nearly all 100 houses have been flooded under five or six feet of water. In there, as the hon. Member for Ribble Valley (Mr Evans) has said, are people who cannot get insurance—it is £3,000 to £6,000 for insurance, and the excess on the insurance is £20,000 to £30,000. What will the Government do to ensure that those people can access help? What are they going to do about Irwell village, which has been so devastated by this? It has now been devastated twice. What will the Secretary of State do about it?

Elizabeth Truss: First, we are making funds available to the local council so that residents can apply for up to £5,000 to put their house back in order. We are also working with the insurance industry to ensure that it is treating these cases sympathetically.

Matt Warman (Boston and Skegness) (Con): It is of course right that we protect homes above farmland, but can I ask the Secretary of State that we consider that the value of that farmland is often what powers local economies and that we try to get that balance as adequate as possible to ensure we protect both the economy and houses?

Elizabeth Truss: I thank my hon. Friend for his question. Under our six-year plan, we will be protecting more farmland. In fact, between 2010 and 2021, we will be protecting an additional million acres of farmland.

Cat Smith (Lancaster and Fleetwood) (Lab): Between 2011 and 2015, Lancashire fire and rescue service saw a reduction of 241 firefighters. Will the Secretary of State commit to creating a statutory duty, and with it the relevant investment, to enable our firefighters to tackle flooding in future?

Elizabeth Truss: I pay tribute to the fantastic work of the fire service and all the emergency services, the Environment Agency and the Army for what they did on the ground. We deployed those personnel as early as possible. We deployed the assets and I think they did a fantastic job in responding to the flooding.

Andrew Bridgen (North West Leicestershire) (Con): In the last 12 months, the UK has paid £35.6 million into the EU solidarity fund, the second biggest contribution. We have only ever made one claim on the fund, in 2007, following flooding, and we were paid out £130 million. May I urge the Secretary of State to push an application for funding from the fund? If we are not going to do that, can she explain why we pay into the fund?

Elizabeth Truss: I thank my hon. Friend for his question. Our priority has been getting money to the affected communities as soon as possible. That was paid into the bank accounts of local councils within three days. I have said that we will look at the EU solidarity fund, but the reality is that it would take seven months for that money to come through and our priority has been responding to the immediate situation we face and ensuring that people get the support they need.

Mr David Anderson (Blaydon) (Lab): Following the floods in 2007, the Government commissioned the “Land Use Futures” report, which laid out exactly what has happened this week. The people who produced that report said at the weekend that the Government ignored the report. They should go back, read the report and listen to the evidence. Will the Secretary of State do that and respond properly to the request made earlier by a colleague to look at the Pitt review, which said that the fire and rescue service should have a statutory duty to be the first response? Will she please answer those questions properly?

Elizabeth Truss: We did respond to all the recommendations of the Pitt review, apart from those relating to bodies that no longer existed. The reality is that we saw a fantastic response on the ground from the fire service. The issue is: how do we protect our communities, given that we are seeing more extreme weather? That is the issue we are dealing with here.

Mr David Nuttall (Bury North) (Con): Residents and businesses in Ramsbottom, Summerseat and Redvales in my constituency were all hit by last week's floods. On their behalf, may I thank all those—the emergency services, staff from Bury Council and Six Town Housing and particularly the small army of volunteers from the local community—who have helped, and indeed continue to help, with the clean-up operation. Understandably, my constituents are worried that they could be hit by flooding again, so can my right hon. Friend reassure them that, when the review of flooding risk is completed, whatever is necessary to protect them in future is actually done?

Elizabeth Truss: I thank my hon. Friend for his question. The resilience review will look at a number of issues: first, the flood defence formula and how the allocation is made; and, secondly, how we respond and predict these extreme weather events. The reality is that we will do all we can to minimise flood risk but we cannot eliminate it altogether and that is why we need to build resilience, too.

Graham Stringer (Blackley and Broughton) (Lab): Manchester City Council and Salford City Council responded to the flooding of the Rivers Irwell and Irk and the businesses affected by that. Those businesses need not only finance but business support and information. Salford City Council, with the councils for Broughton, and charities such as Helping Hands, responded to the River Irwell overflowing in Broughton, causing damage to up to 800 properties. Can the Secretary of State assure those councils and the House that the funding that is being made available will go beyond the Bellwin formula and allow money to be given to the charities that have spent their money and the local authorities that are already financially hard-pressed?

Elizabeth Truss: I thank the hon. Gentleman for his question. The Minister responsible in the Department for Communities and Local Government will look at that specific issue.

Mr Robin Walker (Worcester) (Con): As the Secretary of State knows, Worcester is familiar with flooding; she has visited our flood defences. I welcome the additional investment that she has supported in our area. I particularly

welcome the national flood resilience review and the inclusion of transport resilience within it. In Worcester we are seeing the raising of new defences to try to improve the resilience of the city this year. Can she ensure that the Department for Transport is linked in with that review so that it can take into account the value of capital bids such as the case for dualling the Carrington bridge in Worcester for improving flood resilience?

Elizabeth Truss: I thank my hon. Friend for his question. The Transport Secretary is very much linked in to that review. There are all kinds of critical infrastructure that we need to ensure are covered. One of the issues that has been raised today is telecommunications infrastructure. That is also vital and will be covered by the review.

Gavin Robinson (Belfast East) (DUP): My constituency over the last 10 years has suffered three one-in-100-year floods, but the story has got much better with the progress of the community-inspired initiative called the Connswater Community Greenway. I encourage the Secretary of State to look at that not just because it has increased protection but because it has galvanised communities. The community recognises that Government neither control the rain nor can do everything. More importantly, they have levered significant resource from outside Government to provide the level of protection from flooding that we need. I encourage her to visit and other Members to learn those lessons, too.

Elizabeth Truss: The hon. Gentleman is right about the importance of involving local communities, and I should be very interested in looking at that scheme myself. Similar schemes are being delivered in areas such as Pickering, and by the Cumbrian Floods Partnership and the Somerset Rivers Authority. I think that we should give local communities more power over decisions and involve them more in building up resilience, as well as paying attention to our national risk.

Andrew Stephenson (Pendle) (Con): Throughout Pendle, most rivers rose to record levels. The town of Ireby, on the Lancashire-Yorkshire border, was worst hit. A number of homes and businesses were flooded, and I shall be holding a special advice surgery with councils this weekend to meet affected residents and business owners. Although a number of parts of Pendle have benefited from flood defences in the recent past, Ireby suffered once again. Will the Secretary of State meet me to discuss what more can be done to help the town?

Elizabeth Truss: Either the Floods Minister or I should be happy to meet my hon. Friend.

Mr Ivan Lewis (Bury South) (Lab): I want to record my thanks to the magnificent team of community volunteers led by Steve Houghton-Burnett, to Bury council, to local Labour councillors and to the emergency services, all of whom provided tremendous support for flood victims in Radcliffe, in my constituency.

Can the Secretary of State explain how a Government who talk about a northern powerhouse can allow disproportionate cuts in flood defence budgets, and shocking complacency, to threaten the security of thousands of residents and business people across the north of England? When will they release the outstanding £40 million that was promised to councils?

As for what the Secretary of State has said about the European solidarity fund, I fear that Ministers are putting Tory party internal EU debates ahead of the national interest. Will she answer the question that has been asked about that?

Elizabeth Truss: The hon. Gentleman is simply not right about the spending division between north and south. Let me give the House the figures again. In our six-year programme, we are spending £54 per head on the north and east region, which covers areas such as Lancashire, Yorkshire and Cumbria, and £42 per head in the southern region, which covers areas such as London and the home counties. The hon. Gentleman is simply wrong.

Greg Mulholland (Leeds North West) (LD): It was heartbreaking to see homes, businesses and farms along the Aire and Wharfe valley flooded, especially at Christmas time. I praise the responses from the emergency services and council workers, but, in particular, the magnificent response from the local volunteers who came out to help, and who have raised money as well. I hope that the Government will match all those funds. However, may I ask the Secretary of State to admit that it was a false economy to cancel the £250 million Leeds flood defence scheme? Will she now consider allowing the full amount to be spent, and will she also discuss with me the possibility of flood defences for Otley and Lower Wharfedale?

Elizabeth Truss: I agree that we should pay tribute to the fantastic work done by volunteers throughout Yorkshire and Lancashire at a very difficult time. Many of them had given up their Christmas.

As I have said, we will of course look at the Leeds scheme. We need to do so, given that water levels in the Aire have been a metre higher than they have ever been before. I should be happy to meet the hon. Gentleman and other colleagues in Leeds to discuss the issue.

Dr Roberta Blackman-Woods (City of Durham) (Lab): As the Secretary of State probably knows, my constituency is being flooded as we speak, the River Wear having burst its banks earlier today. Durham faces real challenges, because the huge cuts imposed on the local authority make it difficult to respond to flooding and the problems that emerge from it, such as a lack of appropriate dredging of the river and building on the flood plain. How will the Secretary of State tackle those issues?

Elizabeth Truss: An official Cobra call is taking place at the moment to ensure that the people of Durham have every resource that can be provided for them.

Tom Elliott (Fermanagh and South Tyrone) (UUP): I am sure that the Secretary of State will join me in sending condolences to the family of the late Ivan Vaughan, who was swept away by the floods in my constituency and killed as a result.

The £5,000 that has been paid to homes and businesses in England seems great when compared with the £1,000 in Northern Ireland. Will Northern Ireland benefit from the significant amounts that have been paid by the Government as a result of Barnett consequentialities?

Elizabeth Truss: That is a devolved matter on which local government must decide.

Liz McInnes (Heywood and Middleton) (Lab): During the floods I have visited Heywood fire station, which is one of only two stations in Greater Manchester with water rescue units, and which has done sterling work in rescuing people from the floods. However, not only does it face significant further cuts, but, as was pointed out earlier by my hon. Friend the Member for Lancaster and Fleetwood (Cat Smith), it does not even have a statutory duty to attend incidents of this type. Does the Secretary of State agree that we now need a serious debate about future co-ordination of flood responses, and about long-term funding for our fire and rescue services?

Elizabeth Truss: We saw a very effective emergency response from the fire service and other emergency services, the Environment Agency and the Army, all working together. That lesson has been learnt from previous flooding incidents, as we have brought in all those services as soon as possible to ensure that we protect lives and property.

Albert Owen (Ynys Môn) (Lab): My constituency was badly affected by the floods over Christmas and new year, as indeed was the whole of north Wales. There was an impact on roads, rail and homes. The Welsh Government have given extra resources, which is very welcome, but I want to press the Secretary of State on the issue of the European solidarity fund. If she is not willing to apply for it, devolved Administrations are willing to do so, and to use that money. Three years ago, the Prime Minister said that it took a long time to make an application. If he had applied then, the money could have been put to better use in the United Kingdom.

Elizabeth Truss: As I have said to other Members, we will consider applying for the fund, but it does take a long time to come through. My priority is ensuring that businesses and residents have the support that they need now.

Jim Shannon (Strangford) (DUP): Northern Ireland did not experience as much flooding as Cumbria, Yorkshire, Lancashire and parts of Scotland, but if such high

water levels had been experienced throughout Northern Ireland, we would have been in deep trouble. What plans have been made, and what discussions have taken place, about assisting the Northern Ireland Assembly and its Minister in times of extreme emergency when the available resources are not enough to cope with flooding levels?

Elizabeth Truss: The floods Minister will be happy to discuss that further.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): A number of homes and businesses in my constituency were affected by floods over the Christmas period. Will the Secretary of State tell us how much of the £600 million of emergency flood money that the Government have announced and which is from sources outside Government is still outstanding? Will she also tell us whether the £5,000 that is available to people who have been affected by floods will apply to those without insurance, and what will happen when their losses are more than £5,000?

Elizabeth Truss: Yes, the £5,000 does apply to people who do not have insurance. The money is being given directly to local authorities to administer, so affected residents should get in touch with their local councils.

Andrew Gwynne (Denton and Reddish) (Lab): The River Tame in the Dukinfield part of my constituency breached the retaining wall, flooding a small part of the town where it is channelled through that part of Tameside. The flooding would have been much worse had it not been for the extensive flood plains around Denton and Reddish Vale in the lower Tame valley, which took the excess water. My concern, and the concern of my constituents, is that the Greater Manchester green belt is up for review next year, and developers are already seeking to have plots of land on those very same flood plains removed from the green belt for development. The Secretary of State has told the House what is in the national planning policy framework. Will she now tell us clearly that she does not expect those flood plains to be taken out of the green belt?

Elizabeth Truss: I thank the hon. Gentleman for his question. It really is a question for the Communities Secretary and the local authority in question.

Saudi Arabia

7.20 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): With permission, Mr Speaker, I would like to make a statement on the relationship between the UK and Saudi Arabian Governments.

The Gulf, including Saudi Arabia, has mattered to the UK for generations. Our relationships there are among our most enduring in the world. The Gulf is critical to our foreign policy objectives of security, prosperity and support for UK nationals overseas.

Turning to Saudi Arabia specifically, the United Kingdom and the Kingdom of Saudi Arabia enjoy a deep, long-standing history of friendship and co-operation. December marked 100 years since the signing of the Darin treaty between the United Kingdom and King Abdulaziz, who founded modern-day Saudi Arabia in 1932. As hon. Members are aware, Saudi Arabia is an influential voice in the region. It is the only Arab country to be represented among the G20. As the home of Islam's two holy mosques, it has enormous global religious influence.

Today, the UK and Saudi Arabia co-operate in areas as diverse as education, healthcare, culture, defence, and, of course, counter-terrorism, as well as on the shared challenges facing the middle east. Some 25,000 Britons are proud to call the kingdom their home, and a further 70,000 visit each year as pilgrims. More than 15,000 Saudi students study in some of the UK's world-class universities.

A strong relationship with Saudi Arabia matters. Our collaboration has foiled terrorist attacks, directly saving British lives. British-Saudi co-operation has specifically resulted in the foiling of al-Qaeda terrorist attacks that would have caused substantial destruction and loss of life. An example of this co-operation was the discovery at East Midlands airport of a "printer bomb" on board a US-bound flight in October 2010. The initial alert came from the Saudi authorities, which have been quick to provide information to protect British interests on this and many other occasions.

We should not ignore Saudi Arabia's important and growing contributions to regional stability. We work together to tackle regional threats. We both want stability in the middle east. Saudi Arabia's role in the region is essential to solving the crises in Syria and Yemen and to defeating terrorism.

The Saudi Arabian Government have been at the forefront of international efforts to defeat Daesh, from which the country has suffered first-hand. The king and the religious establishment continue clearly and publicly to condemn Daesh, and to emphasise that its poisonous ideology does not in any way represent the teachings of the Islamic faith.

Saudi Arabia was one of the first countries to participate in airstrikes against Daesh in Syria. It also co-leads the global coalition's work to cut Daesh's resources and has established the Islamic military coalition to fight terrorism. We are grateful to the Saudi Arabian Government for hosting a successful conference of Syrian opposition groups in Riyadh last month to agree a common political platform and to start to form a negotiating team for UN-brokered peace talks with the Syrian regime, due to take place in Geneva on 25 January.

The recent escalation in tensions between Saudi Arabia and Iran is deeply concerning. I urge all parties in the region urgently to show restraint and responsibility, and to work towards resolving tensions. I was very concerned to hear of the attack on the Saudi embassy in Tehran and consulate in Mashhad on 2 January. We know only too well the impact of this. It is essential that diplomatic missions are properly protected and respected, in accordance with the Vienna conventions. The Foreign Secretary, myself and our representatives in the region have been in touch with all sides to urge calm and to de-escalate tensions.

I make it clear, however, that the UK's close relationship with Saudi Arabia does not mean that we shy away from raising legitimate human rights concerns. We make this point very clearly in public and in private. The Saudi authorities are well aware of our views. I raised them most recently myself with the Saudi authorities yesterday, following the execution of 47 people over the weekend, 43 of whom were Sunni.

As I said in my statement on Sunday, the UK is firmly opposed to the death penalty. Our opposition extends to all circumstances and all countries. We remain firmly committed to advancing the global abolition of the death penalty. Regarding recent articles on the FCO's "Strategy for Abolition of the Death Penalty 2010-2015", I would like to clarify that this document is a general policy guide from 2011, rather than a case-by-case list of countries where the death penalty is applied. A full list of countries of concern was published in March 2015 in the annual human rights report; that includes Saudi Arabia and its use of the death penalty. The Saudi Arabian Government are well aware of our views. We will continue to raise our concerns with them.

We also raised the case of Ali al-Nimr with the Saudi authorities again over the weekend. We expect that Ali al-Nimr and the two others who were convicted as juveniles will not be executed. We will continue to raise these cases with the Saudi authorities.

More broadly, Saudi Arabia remains a Foreign and Commonwealth Office human rights priority country, not only because of the use of the death penalty, but because of restricted access to justice, women's rights, and restrictions on freedom of expression, freedom of assembly and freedom of religion or belief. The UK's position on human rights in Saudi Arabia is a matter of public record.

Founded just over a 100 years ago, Saudi Arabia is a relatively young country and we recognise that change cannot happen overnight. The human rights situation in Saudi Arabia reflects widely held conservative social values and, as such, needs to move at a pace that is acceptable to its society, but we believe that we will be more successful in discussing cases privately with Saudi Arabia. We use the strength of our relationship and engagement to encourage reform. We believe that it is more effective to work with other countries to improve and reform their systems than to criticise from the sidelines. We take this approach with Saudi Arabia, as we do with other countries around the world.

When it comes to reform, there has been some recent incremental progress. December's municipal elections were the first in which women were allowed to stand and vote. Some 21 women were elected. A law on non-governmental organisations was passed in December

[Mr Tobias Ellwood]

to create an official channel to enable the formation of NGOs and charities within the kingdom, but there is, of course, much progress still to be made.

Our prosperity relationship is important, but it is only part of the relationship, not our key driver. Saudi Arabia is one of the UK's largest trading partners in the middle east, and the leading middle eastern exporter of goods to the UK. In 2014, exports of goods reached over £4 billion, and exports of services in 2013 reached over £5 billion. UK companies, with the assistance of Her Majesty's Government, have delivered projects worth over £2 billion so far this financial year in the transport, healthcare and education sectors, but this does not come at the expense of human rights; we can, and do, raise these issues with the Saudi Arabian Government.

Only by working with them are we likely to bring about the change we all desire. I commend this statement to the House.

7.30 pm

Hilary Benn (Leeds Central) (Lab): I am grateful to the Minister for his statement and for giving me advance sight of it. He is right to refer to the long-standing relationship between the United Kingdom and Saudi Arabia, to our trade relations, to the vital importance of intelligence and security co-operation in countering terrorism and to the efforts that both countries are making to defeat Daesh brutality. But with the region already in ferment, with the brutal civil wars in Syria and Yemen and the threat from Daesh not only in Syria and Iraq but in Egypt, Libya and elsewhere, the Minister must recognise that the execution of Sheikh Nimr al-Nimr and 46 other people has caused a major diplomatic and political crisis. Surely the basis of any close relationship must be that the two parties can be honest with each other.

We, too, oppose the use of the death penalty in every circumstance, including what has happened in Saudi Arabia. But we on this side of the House believe that the Saudi Government were profoundly wrong to execute Sheikh al-Nimr, a Shi'a cleric, and three young Shi'a men whose alleged offences appear to have involved taking part in political protests and demonstrations against the current Government. The House will have noticed that neither the Prime Minister's comments nor the Minister's statement today mentioned Sheikh Nimr al-Nimr by name, and that is a matter of great regret.

These mass executions have caused dismay and outrage around the world. Amnesty International has described Sheikh al-Nimr's trial as "seriously flawed", and reported that he was denied the most basic means to prepare for his defence and was not represented by legal counsel for some of the proceedings because the authorities did not inform his lawyer of some dates of the hearings. Does the Minister share those concerns? Can he confirm the basis on which he has just told the House that the Government still believe that the sheikh's nephew, Ali al-Nimr, who was convicted and sentenced to death as a juvenile, will not now be executed, given that his uncle has only just been put to death?

In the last few days, the Saudi embassy in Tehran has been attacked and there has been a breakdown of diplomatic relations between Saudi Arabia, Iran and other Gulf states. This is a very dangerous moment. In

agreeing with the Minister's call for calm and restraint, may I ask what he thinks the implications of this crisis will be for the Vienna talks on Syria? What are the prospects for the urgently needed ceasefire there, and does he still think that face-to-face negotiations between the parties will start by the end of this month? What is his assessment of the impact of all this on the Yemen peace talks, given that the Saudi-led coalition, which has been bombing the Iranian-allied Houthi movement in Yemen for nine months, announced on Saturday the end of a ceasefire that only began on 15 December?

The humanitarian crisis in Yemen is increasingly desperate, and many civilians have been killed in airstrikes. There have been reports of potential breaches of international humanitarian law by the Saudi military, which uses British-supplied weapons, among others. Before Christmas, in the light of those reports, I called on the Government to launch an immediate review of arms export licences relating to Saudi Arabia. Will the Government now carry out an independent investigation into whether there is a risk of UK arms being used in breach of international humanitarian law? I ask this because the Government say that they have urged Saudi Arabia itself to investigate any such breaches of international humanitarian law. Will the Minister tell the House what investigations have been undertaken by the Saudis, and what assessment he has made of their credibility?

Following the cancellation of the proposed UK prison contract, will the Government now publish the memorandum of understanding on judicial co-operation signed with Saudi Arabia on 10 September 2014? What discussions have taken place since then, and does the Minister think it would be appropriate now to suspend any co-operation on judicial matters with Saudi Arabia in the light of these mass executions?

Finally, it has been reported that in 2013 the UK assisted Saudi Arabia in its candidacy for a place on the United Nations Human Rights Council. Can the Minister confirm whether that was the case? If it was, why did the UK Government take that action, given that his own Department's human rights and democracy report lists Saudi Arabia as one of the countries of human rights concern, relating not only to its use of the death penalty but to access to justice, to women's rights, and to the rights to freedom of expression, freedom of assembly and freedom of religion or belief—all of which this House and our country are deeply committed to?

Mr Ellwood: Before I reply to the right hon. Gentleman's important questions, may I just say that I am delighted to see him in his place today, following so much speculation? He commands a great deal of respect, and Parliament is all the wiser for his expertise in foreign affairs. I am pleased to see him back in his place.

The right hon. Gentleman has raised a number of questions, some of which related to the relationship between Saudi Arabia and Iran. He mentioned the importance of the work being done in Yemen and in Libya and also in Syria. It is fair to say that we ended 2015 in a better place—marginally—than we started it, so far as the middle east is concerned. We had a ceasefire in place in Yemen. We had agreement around the table from adversaries from Iran, Russia, Saudi Arabia, the United States and France, and from other participants and stakeholders in Syria, after waiting four years for

all the necessary players to work together and agree on the requirements for a ceasefire and a transition process and on the necessary steps to put in place an 18-month approach towards elections. That could not have happened had Iran and Saudi Arabia not come to the table themselves.

The right hon. Gentleman is right to point out the involvement of Saudi Arabia in Yemen. It leads a large coalition—he is fully aware that it is not just Saudi Arabia that is involved there—and had that action not been taken, the Houthis would have moved all the way down to the port of Aden. The consequences of that would have been dire. So yes, Saudi Arabia has participated in the push-back, but it is following resolution 2216, as he is also well aware.

Saudi Arabia is bringing together the opposition parties that have not been at the table at the Vienna talks, and that is absolutely critical. That illustrates the work that Saudi Arabia needs to do. I hope the right hon. Gentleman agrees that we need to de-escalate the tensions. We have had confirmation from Saudi Arabia that it wants to continue to participate in the Vienna talks, and I am pleased that the President of Iran has condemned what happened at the Saudi Arabian embassy and at the consulate. That condemnation is important if we are to see a de-escalation of tension.

The right hon. Gentleman mentioned arms sales. He is aware that Saudi Arabia has the right to defend itself and to participate in UN-approved actions in places such as Yemen. We have in place a robust system of licensing and scrutiny. We will look at any aspect of this where we feel that UK arms have been seen to be used inappropriately. We are working to make sure that the coalition, comprising not only Saudi Arabians but Emiratis, Jordanians, Egyptians and all those who are involved, tries to follow the standards of military engagement that we honour in this country as well.

The right hon. Gentleman specifically asked about—or made reference to—judicial co-operation under the memorandum of understanding. I understand from the Under-Secretary of State for Justice, my hon. Friend the Member for Esher and Walton (Mr Raab), that there is no agreement on judicial co-operation in that MOU.¹ We are working behind the scenes with Saudi Arabia and we are endeavouring to improve the situation in Saudi Arabia, but this country is pivotal to overall peace in the middle east. Only with agreement to de-escalate the current tensions will we see Iran and Saudi Arabia come back to the table to make sure that we can build on what we did in 2015, in Yemen, in Syria and in places further afield such as Libya.

Sir Nicholas Soames (Mid Sussex) (Con): Does my hon. Friend agree that although this is a complex relationship, the Saudis are often very difficult allies and they often find us very difficult and inexplicable, too? Does he also agree that in a region racked by civil war and political upheaval, they are essential and very long-standing allies and friends, and are not just to be cast aside like President Mubarak?

Mr Ellwood: My right hon. Friend, who has huge experience in this area, makes a very important point. I made reference to the fact that Saudi Arabia is a young state, created in 1932. There was no sense of nation state before that. There was no sense of central Government;

rather, there were powerful tribal structures. It remains a mostly socially conservative society, where today's leadership is on the liberal end of opinion—we must not forget that. We will therefore continue to work with Saudi Arabia to make sure that it moves towards its programme of reforms and modernisation.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I thank the Minister for his statement and for advance sight of it. *The Independent* recently reported that a legal adviser to the Foreign Secretary stated that it was “not at all clear” whether UK weapons sold to Saudi Arabia have been used on civilian targets in Yemen, and a recent legal opinion published by Matrix Chambers has further cast doubt on the Government's action. I await a response from the Minister to my letter of 3 December, in which I asked for specific reassurances from him that international arms treaty laws have not been breached in the sale of these weapons. I hope he can use this opportunity to give that reassurance to the House.

At the same time, the Minister should explain why the work of this Government on the export of weapons and military equipment has not been subject to proper parliamentary scrutiny by the Committees on Arms Export Controls. Why have they been reluctant to have transparency on this vital matter? We must have a full explanation as to why Saudi Arabia was excused from the UK Government's five-year strategy towards abolishing the death penalty worldwide, despite its having one of the world's worst human rights records. Why did that happen? Following the execution of 47 people in a single day last week, does the Minister regret that decision? What representations did the Government make to Saudi Arabia before and after the execution of Sheikh Nimr al-Nimr?

Finally, let me say that this Government are fast losing any credibility when it comes to supporting human rights around the world. The question has just been asked, but not answered, as to whether they supported Saudi Arabia's election to the UN Human Rights Council. What role did the Tory-Lib Dem Government play in that process? In addition, and of paramount importance, does the Minister support Saudi Arabia's continuation in the role?

Mr Ellwood: Let me answer that last point about Saudi Arabia's membership of the UN Human Rights Council first. The UK does not publicise how it votes, and that has been the case under all Governments, but I should say that this election was uncontested so it was very clear what the actual outcome would be. This appointment was made via an internal nomination of the consultative group, and the UK is not a member of that group. I hope that clarifies the British position in relation to Saudi Arabia and the UN Human Rights Council.

I thought I had answered the question about the five-year strategy. I specifically made it clear in my statement that that was written in 2011 and is no longer relevant in relation to the countries of concern, including Saudi Arabia. In dealing with a point about Ali al-Nimr made by the right hon. Member for Leeds Central (Hilary Benn), which I did not answer fully, I can only repeat what I have said over the weekend, as have the Foreign Secretary and our ambassador in Riyadh: there

1. [Official Report, 11 January 2016, Vol. 604, c. 3-4MC.]

[Mr Ellwood]

are no reasons why Ali al-Nimr should face execution, and nor should the other youths convicted while they were juveniles.

Crispin Blunt (Reigate) (Con): There should be much to be welcomed from more dynamic Saudi leadership and decision making, but not if it comes at a price of fomenting conflict with Iran. That relationship is key to conflict resolution in Syria, Iraq and Yemen, and to stability in Lebanon and Bahrain. The rest of the international community is going to have to pick up the pieces and the costs if the Saudi-Iranian relationship does not have both parties trying to work towards co-operation, not confrontation. Will the Minister assure the House that the United Kingdom's view that both countries must be working hard towards co-operation and repairing this relationship is our absolute expectation?

Mr Ellwood: I pay tribute to the Chairman of the Select Committee on Foreign Affairs, the work that he has done and his interest in this area. I am aware that the Committee visited Tehran recently and has first-hand knowledge of what is happening there, following the nuclear deal. That is crucial: what message are we sending to the people of Iran with this opportunity, after the cold war that they have been through, to participate more responsibly in the region? We want to send a clear and positive message to the people of Iran, which is why it is so important to de-escalate the current tensions between Iran and Saudi Arabia.

Mr David Winnick (Walsall North) (Lab): Is it not clear that the Saudi authorities will continue with executions, including beheadings, stonings and even crucifixions, with the British Government saying, in effect, "Naughty, naughty" and continuing to be one of the main suppliers of arms? The record between this country and Saudi Arabia is one that should bring shame to Parliament.

Mr Ellwood: I think I have answered that question very clearly. We do not differentiate in respect of our arms sales; they very much go hand in hand, and we do exert influence behind the scenes, not just in Saudi Arabia, but in other countries. I am sorry that things are not as in the public domain as the hon. Gentleman would like.

Dr Julian Lewis (New Forest East) (Con): It can never be said too often that in highly contested areas of this sort one often has to choose the lesser of two evils. The Minister has painted a convincing picture of the way in which important intelligence tip-offs against Daesh are furnished to this country, but can he use his and the Government's influence to say to the Saudis that their protestations of opposition to Daesh would carry more weight if there were less support from Saudi Arabia for the spreading of extreme Wahabist ideology through mosques and in countries around the world?

Mr Ellwood: My right hon. Friend makes an important point. We are facing extremism, not just from Daesh, but from a series of extremist operators, including the Khorasan group, al-Shabaab, Boko Haram, Ansar Bayt al-Maqdis, Ansar al-Sharia and al-Nusra. They have one objective in common: to harm the west. It is important that everybody recognises that we will win not on the

battlefield, but by winning hearts and minds. Nothing is more important than countries such as Saudi Arabia recognising the work it can do, which it is starting to do, in persuading the extremists and everybody else who might be encouraged to join those extremists that that is not what Islam is all about.

Tim Farron (Westmorland and Lonsdale) (LD): The executions over the weekend, including that of Sheikh Nimr al-Nimr, must surely raise fundamental questions about the United Kingdom's relationship with Saudi Arabia. People in the UK have every right to want to know what arrangements we are entering into as a country with another country that has acted with such brutality and with such disregard to the impact of its actions on co-operation across the middle east, especially in the light of the Vienna process and the ongoing conflict involving Daesh. Will the Government now commit to publishing both the memorandum of understanding on security, which was signed by the Home Secretary on behalf of the United Kingdom, and the memorandum of understanding on judicial co-operation, both of which have been withheld in full despite Freedom of Information Act requests? Bearing in mind the Saudi Government's appalling record on human rights, especially the rights of women, will the Government call on Saudi Arabia to step down from chairing the UN Human Rights Council? The Minister carefully avoided condemning the actions of Saudi Arabia over the weekend, so will he do so now? Clearly, Saudi Arabia has a great influence over this Government. Will this Government now prove that they have some influence over Saudi Arabia?

Mr Ellwood: I have made it very clear that we oppose the death penalty—I think that view is also shared by the Opposition—and we continue to engage on the matter at the highest level. Saudi Arabia is aware of our views. The UK is also committed not just to abolishing the death penalty in Saudi Arabia, but to advancing the global abolition of the death penalty. As a first step towards that objective, we should continue to work with our EU partners in applying the EU minimum standards. The hon. Gentleman also mentioned the Vienna talks. He seems to want to have his cake and to eat it too. Saudi Arabia is playing an influential role in the Vienna talks. Indeed, one could argue that those talks could not happen without Saudi Arabia at the table. It is very important that we continue to engage with Saudi Arabia and to de-escalate the tension that currently exists between Saudi Arabia and Iran so that we can ensure that the Vienna talks are able to proceed as expected later this month.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): One country that is working increasingly with Saudi Arabia, the Gulf states and particularly Yemen is Sudan, and there are growing relations between Khartoum and the Gulf states. Will the Minister use his influence with Saudi Arabia to put further pressure on the Sudanese President over the human rights abuses in Darfur?

Mr Ellwood: We have wandered away a little bit from Saudi Arabia. None the less, I did have the pleasure of attending the signing of the South Sudanese peace deal in Ethiopia. Clearly, human rights issues were very much at the forefront, and, yes, we will continue to work with Saudi Arabia to encourage change in Sudan.

Nick Thomas-Symonds (Torfaen) (Lab): The Minister made it clear in his statement that there are conservative social values in Saudi Arabia. Does he also agree that there is no excuse whatsoever for the brutal executions, the lack of access to justice and the treatment of women? What confidence does he have that the way in which we are engaging with Saudi Arabia will bring about a visible improvement in its human rights record in the coming months?

Mr Ellwood: I made it very clear in my opening statement that we had concerns about governance, rule of law, human rights and women's issues. Saudi Arabia is making small progress and taking incremental steps. We will continue to work with it to ensure that it stays on that path.

Dr Tania Mathias (Twickenham) (Con): I commend the Minister for saying that he raises human rights concerns with the Saudi authorities and that he did so yesterday, but will he tell us what he has done to support the Sakharov human rights prize winner and the PEN Pinter prize winner, Raif Badawi, bearing in mind that the Pinter prize is given to somebody who tells the truth about our lives?

Mr Ellwood: The House will be well aware that Raif Badawi is the blogger whose case has been a source of concern for Members across this House. We have raised the case with Saudi Arabia on a number of occasions. I have raised it myself, as has the Foreign Secretary. We understand that Badawi's case is still in court, but let me make it clear that we do not expect him to receive the lashes that he has been sentenced to receive.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): If the name of the game is de-escalation, bringing people around the table and making some progress in this situation, have Ministers made it clear to the Saudis that they could not have done anything more provocative than the 47 executions, particularly the one involving Sheikh Nimr al-Nimr, to make the situation worse?

Mr Ellwood: The right hon. Lady's points are now on the record. Our focus is to de-escalate those tensions. We have a number of regional challenges in which Saudi Arabia plays an important role, and that is what we will focus on now.

Mr Speaker: I call Mr Bob Stewart.

Bob Stewart (Beckenham) (Con): Thank you, Mr Speaker.

Mr Speaker: The hon. Gentleman should not look quite so surprised; he was standing to speak.

Bob Stewart: Forgive me, Mr Speaker, I have a problem with my hearing.

The execution of Sheikh Nimr al-Nimr was clearly a real blunder, strategically, politically and in all senses, and everyone in this House believes that is so. Will the Minister outline what he thinks is good about Saudi foreign policy that helps peace and security in the region?

Mr Ellwood: My hon. Friend allows me to underline the important role that Saudi Arabia is playing in relation to attempting to control a ceasefire under UN

resolution 2216 and to supporting the UN envoy Ismail Ahmed's work in trying to bring peace to that area. Obviously, that is one area of concern. Syria is the other area of concern, and Saudi Arabia is playing a vital role in that regard too. We must also understand Saudi Arabia's important role and efforts in countering the poisonous message and ideology of Daesh.

Stephen Timms (East Ham) (Lab): I think the Minister owes the House an explanation of why Saudi Arabia was omitted from the 2010-2015 strategy document. He has dismissed the question on the basis that there has since been another list published, but why was it not in the strategy document? Was it an oversight?

Mr Ellwood: I think that the document has been misinterpreted. It was not an exhaustive list as such, as I made clear in my opening statement. Saudi Arabia remains a country of concern, and we remain committed to encouraging and improving human rights in that country.

Sir Gerald Howarth (Aldershot) (Con): The kingdom of Saudi Arabia is indeed a very important ally of the United Kingdom in the region. Although internal order must be a matter for the Saudi authorities, as internal order is a matter for the authorities in the United Kingdom, the draconian crackdown on dissent in Saudi Arabia has already had very serious ramifications across the region and potentially has serious ramifications for the relationship between our country and the kingdom of Saudi Arabia. I urge my hon. Friend to impress on our Saudi friends that this is a serious matter and that, in showing leniency, particularly to these young juveniles, they will be doing a favour not only to us but to themselves, and they will be promoting the country as a better example than currently, sadly, is the case.

Mr Ellwood: I am pleased to repeat our concern about Ali al-Nimr and the other youths who were convicted when they were juveniles. We have received reassurances from the Foreign Affairs Minister, Adel al-Jubeir, and from the Saudi Arabian ambassador in London that they will not face execution.

Caroline Lucas (Brighton, Pavilion) (Green): Does the Minister recognise that huge numbers of people across the country will be genuinely shocked by his inability to say that he condemns the actions of Saudi Arabia over those executions? Will he now strengthen his language on that matter? Has his Department assessed the legal opinion published last month by Matrix Chambers which concluded that the Government have misdirected themselves in law and in fact in continuing to grant authorisations for the transfer of weapons to Saudi Arabia that are capable of being used in the conflict in Yemen?

Mr Ellwood: We have one of the most vigorous export licensing schemes in the world. Indeed, it was set up by the previous Government. If there are any genuine examples of the misuse of weapons systems that have been sold to any country, the process is in place to ensure that they are examined. If such examples are brought forward, we will certainly look at them.

Mark Menzies (Fylde) (Con): As someone who has visited the kingdom of Saudi Arabia and who perhaps has more constituents working in the kingdom than any

[Mark Menzies]

other Member in this House as a result of the relationship through the defence sector, may I urge the Minister to impress on our Saudi friends the importance of working with the moderate influences within the kingdom to ensure that peace and stability prevail throughout the region?

Mr Ellwood: My hon. Friend rightly underlines the importance of this bilateral relationship, which is not only commercial but includes academic and medical perspectives and so forth. The more we are able to engage and share ideas, the more we will be able to encourage change, modernisation and adaptation of international standards and the rule of law.

Helen Goodman (Bishop Auckland) (Lab): What preparations has the Minister's Department made for the potential legal action which the Government now face owing to the fact that arms have been exported to Saudi Arabia which, it has been reported, have been used against civilians in Yemen?

Mr Ellwood: I repeat what I just said. Saudi Arabia has a legitimate right to purchase weapons systems. It also has a legitimate right under UN Security Council resolution 2216 to provide legitimate support to the President Hadi in Yemen. Had actions not been taken, as I said, the humanitarian catastrophe in that country, which the hon. Lady's Front-Bench spokesman rightly mentioned, would be worse than it is, as would the challenges that we face. A port off the Red sea called Al Mukalla—a town bigger than Bournemouth—is now run by al-Qaeda. That is the threat that we face in Yemen. So yes, we must be concerned and aware of any weapons systems that we sell across the world. We have robust systems in place, but let us keep in check how they are used and what the consequences are in the country where they are used.

Kevin Foster (Torbay) (Con): For any nation to welcome 2016 with a display of mass execution more fitting of 1016 is profoundly wrong. Will the Minister confirm that, as in the case of our deal on nuclear issues with Iran, our relationship with Saudi Arabia will not prevent us from continuing to press human rights issues, in particular the oppression of religious minorities, and that all nations in the region which are expressing concerns about that in Saudi Arabia should look to eliminating it in their own jurisdiction as well?

Mr Ellwood: My hon. Friend is right. I pay tribute to his understanding and knowledge of the area. We are working with Saudi Arabia across a wide range of issues, one of which is religious tolerance.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): We have seen a very weak response from the UK Government tonight. We find ourselves allies with one of the world's biggest human rights abusers. It comes as no surprise to me when we heard at the weekend the Foreign Office use the word "disappointment," stating that it did not expect the executions to go ahead. I am glad that I have heard tonight that the Minister has been in touch with the Saudi Kingdom and asked for the boys to be spared. The Minister is well aware that I have been campaigning for Ali for months and also for Dawoud and Abdullah, so I call on the Minister to

make sure that the Saudi King commutes the death penalties and does not carry them out. Does the Minister seriously think that evidence of successful dialogue with Saudi is that only 47 executions were carried out, instead of 53?

Mr Ellwood: I do not entirely understand the final point that the hon. Lady makes. I pay tribute to her and the work that she is doing in making sure that she raises these issues on the Floor of the House. I take all her contributions extremely seriously. She is aware that I am in constant dialogue over these cases, not just Raif Badawi, but Ali Mohammed al-Nimr and others. We have been working closely together on that and I assure the hon. Lady that we will continue to do so.

Nusrat Ghani (Wealden) (Con): Saudi Arabia is co-ordinating the Islamic military alliance to fight terrorism, a coalition of 34 nations brought together to help defeat Daesh, in addition to the Vienna talks. Iran is not one of the 34 nations, and it is difficult to imagine how that coalition will be able to grow and work effectively, given the increased acrimony and the breakdown in diplomatic relations between Saudi Arabia and a number of other countries, including Iran. How can the Government make sure that this embittered Sunni-Shi'a division does not put the stability of the region and our own safety here at home at further risk from sectarian conflict and extremism on both sides, when we need bold steps towards a Sunni and Shi'a reconciliation?

Mr Ellwood: I agree with my hon. Friend, who I know has huge expertise in this area. She describes exactly the challenge that we face and what we need to do. She talks about the Islamic military coalition to fight terrorism. That is in its infancy. Countries have only just come together. It would make sense for Iran to be involved in that. The first meeting took place just before the new year. Further meetings are planned. It is a positive move that countries are now looking towards the longevity of their own security.

Fiona Mactaggart (Slough) (Lab): Is not the problem that the Saudi authorities are prepared to ignore diplomatic niceties, the Minister's disappointment and a statement in the Foreign Office's report in July about its continued concern over death penalty use in Saudi and the fact that the Foreign Office regularly raises the issue with the Saudi authorities unilaterally and bilaterally? Well, that's worked, hasn't it? Is it not time for the Saudi authorities to face concrete action from Britain, such as an end to arms exports, rather than continued expressions of concern? [Interruption.]

Mr Ellwood: I am reminded of Labour's policy towards Saudi Arabia over 13 years. We must have clear and precise rules on the export licensing schemes around the world. We cannot do it by whim or by choice, according to whether a country is flavour of the month or not. There are rules that we follow. Saudi Arabia has the right to defend itself and to purchase weapons systems. No country has the right to purchase weapons systems from us and then abuse them or use them incorrectly. The licensing scheme then kicks in and makes sure that the sales are revoked.

Tom Pursglove (Corby) (Con): It is clear that countries in the region ought to be doing more on the Syrian refugee situation. What discussions have Ministers had with the Saudi Government on that?

Mr Ellwood: It is worth paying tribute to all the countries in the region that have taken on a huge commitment to look after refugees fleeing persecution not just in Iraq, but in Syria. That includes many of the Gulf states and Saudi Arabia. My hon. Friend's question allows me to pay tribute particularly to Jordan and Lebanon, which have taken the largest burden.

John Woodcock (Barrow and Furness) (Lab/Co-op): The executions last week were shocking and deeply troubling. May I place a different emphasis from that of some of my colleagues and urge the Minister and the Government only to enact measures that will be effective in improving the Saudis' record on human rights, acknowledging the dangers that bellicose statements from the west—from infidels—can sometimes make matters significantly worse in a situation where the Saudi Government themselves are fragile and could at some time be replaced by a far more brutal regime? We would not forgive ourselves, nor would we be forgiven in the country, if our actions resulted in a fundamental reappraisal of our relationship that stopped the vital intelligence that could have prevented a fatal attack on our shores.

Mr Ellwood: The hon. Gentleman articulates very well the challenge that we face. I pay tribute to his interest in and knowledge of this area. He is right. I described the leadership today as being at the liberal end of opinion in that country. He uses a different form of wording. There are huge challenges that we face in the middle east, and different ways that we can provide support and influence the country. We can use foghorn diplomacy, stand back and shout from afar. That does not work and has not worked in the past.

Nadhim Zahawi (Stratford-on-Avon) (Con): The greater prize for both traditions of Islam is reconciliation, and one has only to ask the families returning to their homes in Tikrit and now Ramadi to see that. This escalation of tension could reverse some of those hard-won victories. Has the Minister or the Foreign Secretary had any discussions with our American allies—with Secretary of State Kerry—and is he or the Foreign Secretary planning to go to Saudi Arabia and Tehran to help de-escalate the situation?

Mr Ellwood: Yes, huge efforts are taking place behind the scenes, involving many countries. My hon. Friend speaks about Ramadi. I place on record the importance of the capital of Anbar province now returning to the Iraqis. That shows that Daesh is on the back foot. The next step is Mosul. That will be significant for Iraq, which my hon. Friend knows well. It is important that that country is able to change the laws on de-Ba'athification and the national guard. If that does not happen, all that work will be challenged.

Susan Elan Jones (Clwyd South) (Lab): I think that most of us would agree that last week's dreadful executions in Saudi Arabia reinforced the case for a global abolition of the death penalty. Does the Minister agree that it is vital that our democratic allies in the west also adhere to that? Will he strongly make the case to Americans in the southern states of the US, many of whom have a deep concern for religious freedom, that their support for the death penalty in their country weakens the case for a global abolition of the death penalty and for religious freedom worldwide?

Mr Ellwood: The hon. Lady makes a powerful point. I reiterate our commitment to advancing the global abolition of the death penalty, whether in Saudi Arabia or in the United States of America.

Dr Andrew Murrison (South West Wiltshire) (Con): The Kingdom of Saudi Arabia is indeed hardly alone in practising judicial killing, but this latest bloodbath suggests a regime under some kind of pressure. What contingency planning does the Minister think should be done for the potential geopolitical consequences of the regime falling, given that it would do so swiftly and brutally, not unlike the Shah in 1979?

Mr Ellwood: We are very much focused on de-escalating tensions between the two countries, for the reasons I have outlined, not just for the benefit of Saudi Arabia and Iran, but because there is much to be gained from getting back around the table and working on the progress made in 2015 to deal with the challenges in Syria and Iraq, and indeed in Yemen.

Ian C. Lucas (Wrexham) (Lab): The international reaction to the executions was entirely predictable, not least from Iran. Given the precarious nature of the Vienna process at the moment, what confidence does the Minister have that the Saudi Government are committed to pursuing that process? Why does he believe that that commitment is still there?

Mr Ellwood: It is not just Saudi Arabia that we put pressure on to deal with human rights issues, and indeed with the death penalty; we also put pressure on Iran, which executes far more people—that point has not yet been made today. However, the reaction from President Rouhani, and indeed from Saudi Arabia, recognising that they must encourage and continue regional discussions on these other issues, has been noted. Flights and diplomatic relations have been broken off, but we have been given assurances that those who wish to can continue to visit the holy sites of Mecca and Medina.

Dr Sarah Wollaston (Totnes) (Con): The execution of Sheikh al-Nimr has had disastrous consequences and is a gift to Daesh. Has the Minister made a calculation of the effect of the failure to deliver a straightforward condemnation on relations with other regional powers?

Mr Ellwood: My hon. Friend is right to recognise that Daesh benefits when there are disagreements between the regional players, which is why it is important that we de-escalate tensions.

Stewart Malcolm McDonald (Glasgow South) (SNP): The Islamic scholar and cleric Sheikh Nimr al-Nimr was described by our US allies as someone who promoted democracy, justice and peace. I do not doubt the Minister's commitment to those values, but we really do need more than a statement of disappointment—a rather perverse manifestation of the British understatement. Given that promoting democracy in Saudi Arabia now appears to be a capital offence, can he outline exactly what the Saudi Government would need to do to draw an official censure from the Dispatch Box?

Mr Ellwood: I am sorry that the hon. Gentleman has chosen to link two different conversations. Two and two does not equal five. The fact that those who promote democracy are now facing the death penalty is incorrect.

[Mr Ellwood]

We will continue to build our relationships with Saudi Arabia to encourage the reforms that we would like to see, as I articulated in my statement.

Helen Whately (Faversham and Mid Kent) (Con): Does my hon. Friend agree that the greatest threat to human rights in the region is ISIL-Daesh and that we must not be naive about the threats faced by allies such as Saudi Arabia? Therefore, as well as putting pressure on them to improve their human rights record, we must also help them to do so, and we must stand by them.

Mr Ellwood: My hon. Friend makes a powerful point that needs to be underlined in this Chamber. The organisation that is the most brutal in its failure to recognise any form of human rights is Daesh. It plays upon that fact, promising a better life to those who are attracted to make the journey to its self-imposed caliphate. It is a false promise; to the girls and boys who end up there, and on what happens when they eventually die, because they will not go to heaven and be rewarded for their actions.

Mr Gregory Campbell (East Londonderry) (DUP): The Minister referred to our close relationship with Saudi Arabia but said that that should not mean that we shy away from raising legitimate human rights concerns. Does he understand that the concern that many people have, both in this House and across the United Kingdom, is that commercial considerations are doing precisely that? What can he say, and what can the Government do, to ensure that commercial considerations are not being put ahead of human rights concerns, both for religious minorities and females?

Mr Ellwood: I touched on that in my statement and have made it very clear that no aspect of our commercial relationship with Gulf countries, including Saudi Arabia, prevents us from speaking frankly, and indeed openly, about human rights challenges. We will not pursue trade to the exclusion of human rights; they can and should be complementary.

Bob Blackman (Harrow East) (Con): My hon. Friend quite rightly refers to Saudi Arabia as a key ally, and to the emphasis on preventing further executions, so can he make it clear to the House what efforts were made by the Foreign and Commonwealth Office in advance of the executions to prevent them taking place at all?

Mr Ellwood: We were not informed when the executions would take place, and once they did we were in touch with the authorities immediately.

Tom Brake (Carshalton and Wallington) (LD): The Minister said that the UK Government had no role in securing the chairmanship of the United Nations Human Rights Council for Saudi Arabia. Following the execution of 47 people in a judicial process widely deemed to be grossly unjust and deeply flawed, and with the threat of execution hanging over Abdullah al-Zaher and Dawood Hussein al-Marhoon, will the UK Government now be lobbying to get Saudi Arabia to stand down from that chairmanship?

Mr Ellwood: No, we will not.

Mike Wood (Dudley South) (Con): It is particularly concerning that, notwithstanding assurances that have been given, death sentences remain in place against a number of juveniles, including Ali Mohammed al-Nimr. Will my hon. Friend pursue all available means to ensure that those executions do not happen?

Mr Ellwood: That is now our priority. It has been the subject of many conversations that we have had with the Saudi authorities, not least the Foreign Minister and the embassy. The assurance that we have received is that those executions will not take place.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Do the UK Government realise that unless western powers have a consistent approach to foreign policy in the middle east, particularly on human rights, there is no hope for a lasting peace? With that in mind, elementally, what is the difference between Islamic terrorist groups beheading people and Saudi Arabia beheading its political opponents?

Mr Ellwood: What Daesh is doing is beheading everybody who does not believe in it. But Daesh is not a state, so the influence that we can have in defeating it and its ideology is well documented—indeed, it was debated and voted upon in this House. Our approach to Saudi Arabia has again been discussed here today. We are committed to removing the death penalty, and not just in Saudi Arabia; we are working with other countries to see it removed across the world.

Neil Carmichael (Stroud) (Con): The dreadful events last week have made a complicated situation even more challenging and tested fragile relationships in a region where we need to see peace. What reassurance can the Minister give the House now that he is in proper contact with our allies—notably our European allies and the United States—to bring more influence on making sure that human rights are a priority and that, above all, peace is introduced?

Mr Ellwood: The two issues are absolutely related. We need to encourage Saudi Arabia and other allies that need to make progress in this area and work out the best strategy for providing that support. That is exactly what we are doing. We are also in discussion with other Gulf Co-operation Council countries, the Arab League, the United Nations and the European Union to work together on how best to support the introduction and improvement of human rights, governance, the rule of law and women's rights as well as the important issue of the freedom of the press.

Patrick Grady (Glasgow North) (SNP): Both Amnesty International and Save the Children have recently produced reports on the conflict in Yemen, expressing concern that UK-sold arms are being used by the Saudi coalition in breach of international human rights law. Does the Minister accept that if that is the case, the UK could be found to have been complicit in war crimes? What steps is he taking to investigate those reports and make sure that that is not the case?

Mr Ellwood: The hon. Gentleman is asking me a hypothetical; I am not going to go down that particular road. I will say, as I have repeated, that if there is

genuine intelligence evidence to suggest that weapons systems—not just in this country, but anywhere—have been abused, our robust export licence scheme will absolutely kick into place. I met representatives of a number of NGOs that operate in Yemen who raised concerns in the same vein. Again, I make the request to let us see the intelligence, then we will investigate it ourselves.

Rehman Chishti (Gillingham and Rainham) (Con): I have visited Saudi Arabia and met its parliamentarians and Ministers; one made it clear that one was against the death penalty and called for religious freedom. However, may I ask the Minister for clarification on this point? Has he seen the article by Joseph Braude from the Foreign Policy Research Institute? He said that many of those executed in Saudi Arabia along with Sheikh Nimr al-Nimr were members of Hezbollah al-Hejaz—a sister wing of Hezbollah that has been listed as a terrorist organisation by the European Union. Some colleagues have said that there was peaceful protest, but has the Minister seen the other side of the coin, which indicates that some of those involved had taken part in terrorist activity? I do not know the answer; I am simply seeking clarification. Linked to that issue, has the Minister seen a statement from al-Qaeda and Daesh calling for open revolt and for people to take up arms against the Saudi Government? We have a common enemy in Daesh and al-Qaeda in that respect.

Mr Ellwood: I have not seen the article and would be grateful if my hon. Friend passed it on to me. He makes an important point about the charges against these people. I underline, however, that we do not believe that the death penalty was deserved, whatever the charge. Britain has stood by that position for some time. As an interim step, there are EU standards that could be introduced. I hope that Saudi Arabia will take heed of that.

Mark Durkan (Foyle) (SDLP): In ascribing a key role in the Syrian process to Saudi Arabia, the Minister is dressing a wolf in sheep dog's clothing. Does selling sophisticated armed technology to that regime blind the UK Government to the primitive barbarism that it continues to demonstrate? Is there any excess by that regime that the British Government will not offset by scraping the barrel of political excusery?

Mr Ellwood: I do not agree with the hon. Gentleman; he has his views. I make it clear that the two are not mutually exclusive: we are able to have a legitimate, recognised and transparent arms export scheme, which includes Saudi Arabia, but that does not prevent us from having very frank conversations—public and private—about issues of human rights in Saudi Arabia and other countries as well.

Seema Kennedy (South Ribble) (Con): I welcome the recent appointment of our new chargé d'affaires, Nicholas Hopton, to Tehran and I hope that before too long our two nations will have full diplomatic relations. Does the Minister agree that maintaining and strengthening diplomatic relations, even with countries with which we have substantial differences of opinion, is absolutely the best way to have those difficult conversations about human rights and democracy?

Mr Ellwood: My hon. Friend makes an important point, and I pay tribute to the knowledge and experience in this area that she brings to the House. In February, there will be elections to the Majlis in Iran. We are hoping that the signing of the nuclear deal will allow a moderate grouping of MPs to be elected, which will encourage greater representation of the voices of the Iranian people. We very much encourage that.

Jim Shannon (Strangford) (DUP): Saudi Arabia is 12th on the Open Doors World Watch list of countries where it is difficult to live as a Christian. In February last year, 12 Ethiopians, worshipping in their own house in private, were arrested, questioned and deported. In a Westminster Hall debate on international human rights in the second week of December, I brought to the attention of the Minister the issue of the 28 Christians—women, children and a few men—who were also arrested. For the record, I should say that those people disappeared into the ether of Saudi Arabia and there has been no explanation of where they have been.

On that day, I asked the Minister whether he could find out what had happened. I am concerned about the welfare of those people, as I am about the welfare of all Christians in Saudi Arabia, and other Members are also concerned. Will the Minister take up those issues directly with Saudi Arabia and give Members the answer we need?

Mr Ellwood: I am very happy to take that request away. I place on the record my acknowledgment of the hon. Gentleman's understanding, expertise and commitment to encouraging greater tolerance in matters of religion across the middle east—and, as we discussed this morning in Westminster Hall, south-east Asia as well.

Dr Philippa Whitford (Central Ayrshire) (SNP): The Minister says that any incidence of the use of British weapons against civilians in Yemen will be investigated. Is the bombing of the Médecins Sans Frontières hospital in the Saada region being investigated, as Saudi planes were identified as having been involved?

Mr Ellwood: First, I recognise the work that the hon. Lady has done as a doctor in various areas of conflict; she brings huge knowledge and expertise to the House.

The concerns about the misuse of military equipment are about where kit has been used, collateral damage has taken place and that has not been admitted to. When the Saudi Arabians—not only them; 10 other countries are involved in the coalition—have put up their hands to collateral damage having taken place, the necessary compensation has been paid. That is the correct process. Our concern, which has been articulated in the House, is whether the weapons are being used deliberately and indiscriminately to cause harm from a height and there has been no follow-up whatever.

Greg Mulholland (Leeds North West) (LD): The Minister is simply not facing up to the revulsion felt by British people at this outrage. He should have acknowledged and condemned it at the start of his statement, and he did not. He says it is important to deal with Daesh, who are executing their cultural and religious enemies, yet we are sitting down with a state that is executing—beheading—its cultural and religious enemies without proper trial. Is it any wonder that people around the country, including members of the all-party group on

[Greg Mulholland]

the abolition of the death penalty, are concerned and suspicious that Saudi Arabia is not on the FCO strategy list of 30 countries where we are trying to abolish the death penalty?

Mr Ellwood: First, I acknowledge the work of the all-party group, which I would be delighted to meet if that would be of help in looking into these matters in more detail. This prompts the question of how we best exert influence. Do we shout from afar; do we back away from any relationship that we have, right across the piece, and expect change to happen in that way; or do we follow our current strategy, which was articulated and shared by the Liberal Democrats when they were in government as well, of being able to work behind the scenes to get elections so that women are now elected, and NGOs and charities are now represented, to allow this very young nation state to take the necessary steps towards the place where we want it to be?

Peter Grant (Glenrothes) (SNP): This very young nation state is about the same age as the nation state of the Republic of Ireland. I do not think we would excuse murder by the authorities in the Republic of Ireland on the basis that it was a young country, nor indeed in the nine member states of the European Union that did not exist in the early parts of the 20th century.

We are discussing a brutal and violent outrage perpetrated by an unelected dictatorship against its own citizens, and the public record will show that the Minister chose to say that he was very concerned about the reaction to that outrage before he even mentioned the outrage itself. Given that we are dealing with a regime that has made it perfectly clear that it is more than willing to murder its own citizens, not, in a phrase that will be familiar to the Minister, because of anything they did but because of who they were, does he accept that if the rules on arms sales allow such a brutal regime to receive arms from the United Kingdom, then those rules have to be changed with immediate effect?

Mr Ellwood: Again, this goes to the strategy of how we can best influence what is going on. We condemn state murder wherever it takes place, whether in Saudi Arabia or any other countries across the world. I have made that absolutely clear. We stand firm in wanting to advance the global abolition of the death penalty, and that will not change.

Points of Order

8.31 pm

Louise Haigh (Sheffield, Heeley) (Lab): On a point of order, Mr Speaker. I am genuinely sorry to take up the House's time today. Over the Christmas recess, we discovered that the Government have stopped the long-standing practice of releasing the historical Cabinet papers to the national archives for the new year. Only a small selection of files covering the 1986 to '88 period have been provided, and those dealing with issues such as the poll tax and the Black Monday stock market crash remain secret. Given that the Ministers responsible were themselves advisers to the then Government, it is important that we know who made this decision and for what reasons, yet no statement has been made to this House. Apparently they have found a way to reduce the accountability of two Tory Governments in one go. Is there anything you can do, Mr Speaker, to ensure that Ministers come to this House to explain this decision, not just so that they are held to account for themselves but to ensure that the public know about decisions that previous Administrations made in their name?

Mr Speaker: I thank the hon. Lady for giving me notice that she intended to raise this matter. I have to say that it is not a matter of order for the Chair but rather a matter for Ministers. As things stand—I do not think she will be surprised to hear me say this—I have received no indication that a Minister wishes to make a statement on the subject. That said, her concern will doubtless have been heard by those on the Treasury Bench and will be relayed to the relevant Ministers. Knowing her as I have come to know her over the past eight months, I am sure that she will use her ingenuity to find ways to pursue the matter through questions or possibly by seeking an opportunity for debate.

Mr Andrew Turner (Isle of Wight) (Con): On a point of order, Mr Speaker. Today is not a normal Tuesday, because we usually finish at about 7 o'clock or 7.30 pm but today we are finishing at 10 o'clock, 10.30 pm, or later. Could you help me by telling me what will be the consequence of passing the programme motion before us or defeating it?

Mr Speaker: I can answer very simply. If the programme motion is passed, there is protected time of up to six hours for debate on the Report stage of the Housing and Planning Bill. That is clearly what the Government intended in putting the motion on the Order Paper—six hours of protected time. If the motion is not passed, the answer to the hon. Gentleman, and for the benefit of the House, is that debate on the Bill could not continue beyond 10 o'clock. However, I must advise the House that in debating the matters appertaining to the Bill up until 10 o'clock, we would not do so in the order set down for consideration in the Government's motion; we would have to proceed in a different way that would require ingenious and speedy work of an administrative kind by those within the usual channels responsible for these matters. I am glad that one such senior denizen who would have that responsibility is nodding in assent to my proposition, whether with enthusiasm or an air of resignation I will leave it for the House to judge. If the motion is passed, we proceed as the Government had

intended; if the motion is not passed, we cannot proceed beyond 10 o'clock and would have to proceed in a different way.

Fiona Mactaggart (Slough) (Lab): Further to that point of order, Mr Speaker. Would it not be possible for Members on both sides of the House to agree voluntarily to continue with the order of debate in the proposed programme motion, even if it was all to be stopped at 10 o'clock?

Mr Speaker: It is a hypothetical question, but if the right hon. Lady is asking me whether it would be open to the Government to table a different proposed order of consideration at this stage, I am advised that it would be possible. I cannot recall a precedent for it, but if the right hon. Lady is asking me whether it is possible, the answer is that, like most things, if the House were to will it, it could happen. I have to say, however, that, although the resources of civilisation are not yet exhausted, no representative of the Government Whips Office has approached me on this matter. Given that we have been on statements for some time, one would rather have thought that if they did will that, they would have approached me. They have not, so I assume that they do not, if the House follows my drift.

We will have to leave it there for now, but I have explained the position and it is up to Members to do as they wish. As things stand, the House is due to sit—unusually, it has to be said, and pretty exceptionally—for several hours in order to progress the Government's business. I am the servant of the House and I will do whatever the House decrees.

If there are no further points of order—for now, at any rate—we come to the ten-minute rule motion, for which the hon. Member for Wythenshawe and Sale East (Mike Kane) has been waiting exceptionally patiently.

Mesothelioma (Amendment) (No. 2)

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

8.37 pm

Mike Kane (Wythenshawe and Sale East) (Lab): I beg to move,

That leave be given to bring in a Bill to amend the Mesothelioma Act 2014.

I pay tribute to you, Mr Speaker, and your amazing ability to stay in that Chair for so many hours. I regularly play football on a Friday night and the question I am always asked by my colleagues is, "How does he manage to do it?"

May I once again pay tribute to my predecessor, Paul Goggins, who worked tirelessly for the victims of this cruel disease? As we approach the second anniversary of his death this week, I hope the whole House will join me in extending our warmest wishes to his family at this difficult time. I also express my gratitude to my mentor and the former MP for Wythenshawe, Lord Alf Morris, who campaigned tirelessly on the issue in the other place and saw that work as part of his groundbreaking Chronically Sick and Disabled Persons Bill 1970.

I also want to pay tribute to Conservative Members, namely the hon. Members for Chatham and Aylesford (Tracey Crouch) and for Totnes (Dr Wollaston), who have taken a particular interest in the matter and given their support, and to Lord Alton, who is promoting a concurrent Bill in the other place. He has also been working tirelessly for the victims of this disease.

Every year, hundreds of people gather in cities across the UK to raise awareness of mesothelioma and to call for better treatment of patients, for prevention of exposure to asbestos and for a ban on the export of asbestos to developing countries. Last July, a few colleagues and I once again attended Lincoln Square in Manchester with victims' families. Loved ones released white doves symbolising each of the victims. It was an incredibly poignant and moving occasion. The number of people attending the event grows each year. The latest Government figures show that seven new cases of mesothelioma are diagnosed every day.

Next year's event will be even more poignant because of Stuart Packard, who was highlighted recently by *The Daily Telegraph*. As most of us in Manchester went about our business on 15 June 1996, the city was rocked by a massive IRA bomb. As one of the first civilians allowed through the cordon later that week to view the devastation, I wondered how there was no loss of life. However, Stuart was just 21 when he spent about three weeks working as an emergency security guard at the scene and he was diagnosed with mesothelioma in March, having come into contact with the carcinogenic dust from the subsequent demolition work. He died just before Christmas, aged 40, leaving his wife and two young children. His father-in-law said:

"This disease just came back to get him so many years later."

Mesothelioma is an invasive type of lung cancer that is caused primarily by prior exposure to asbestos. There is currently no cure. Patients often experience complex, debilitating symptoms and most die within 12 months of diagnosis. There is a long time lag between exposure

[Mike Kane]

and the development of the disease. Although it can be as little as 10 years, the average interval is between 30 and 40 years.

Most people with the disease developed it after being exposed to asbestos in the workplace—building our houses, schools and hospitals; working on our shipyards; or serving and defending our country in the armed forces. I pay tribute to my hon. Friend the Member for North Durham (Mr Jones), who is sat on the Front Bench, because, working with the Royal British Legion, he secured a better deal for our service personnel who are victims of the disease during the recent passage of the Armed Forces Bill.

The UK has the highest rate of the disease in the world. Mortality rates are increasing and have more than quadrupled over the last 30 years. It is estimated that more than 2,500 people will die of the disease in the UK this year and that during the next 30 years, about 60,000 people will die unless new treatments are found.

Research needs to be done to understand why certain individuals develop the disease and others do not. We know of instances where the wives of construction and shipyard workers have been diagnosed with mesothelioma due to exposure to asbestos dust on the overalls of their husbands, yet the husbands have never developed the disease. We do not know why that is.

The James Lind Alliance has identified a number of priority areas for research—essential questions that need to be answered to improve the understanding of the disease and provide hope to patients and their families. We need to ensure that there is funding to take that research forward.

The Bill offers an alternative route for funding research. Although Aviva, Zurich, AXA and the RSA have been contributing to this field, too many companies have evaded their responsibilities. We need statutory underpinning. Three million pounds a year will not dent the pockets of the companies who pay out £187 million a day to their customers.

Dr Robert Rintoul, who works at MesobanK, sees the importance of research not only for people living in this country, but for others around the world. He says that

“asbestos is still being used in an unsafe and unregulated way. Although the number of cases of mesothelioma in the UK will

fall over the next 30 years, there will continue to be an epidemic of the disease globally and the lessons that we learn today about the biology of the disease will be used by doctors the world over in years to come.”

Lord Wills stated in the recent debate in the other place that the cost to the health service and society was a reason for action. Going by the data that each patient costs £75,000 and that there are 2,500 patients, he estimated a £5 billion cost to the UK over the coming years. That is an interesting argument, given the current focus on the financial burden to the NHS in the “Five Year Forward View”.

Unless a change is introduced to the way mesothelioma research is funded, we will risk stagnation and endanger potential life-changing and even life-saving breakthroughs. Currently, the research relies on ad hoc contributions from insurers, charitable donations and modest funding from the Government. That unreliable approach to funding jeopardises ongoing research, which impacts not only on the British research industry, but on mesothelioma mortality in the UK. That is why statutory funding must be secured for the research.

One can make plenty of salient and important arguments about the value of research, both to insurers and to the British research industry. However, the focus must remain on the people affected by this devastating disease—the workers, the spouses, the children—who currently have little hope due to the lack of treatment options available to them. For them it is essential that we seize the life-saving opportunity in front of us today.

I see that the hon. Member for Salisbury (John Glen) is in his place. His father, Phillip Glen, dedicated his 50-year working life to the horticultural industry in Wiltshire until his recent retirement. He was, however, exposed to asbestos by working with boilers in the nurseries, and he was recently diagnosed with mesothelioma. I am sure the whole House will join me in wishing the hon. Gentleman, his father, and all sufferers of this terrible disease our heartfelt best in the years ahead.

Question put and agreed to.

Ordered,

That John Woodcock, Jim Shannon, Sammy Wilson, Andy Slaughter, Andy McDonald, Mr Graham Brady, Jonathan Reynolds and Mike Kane present the Bill.

Mike Kane accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 29 January, and to be printed (Bill 114).

Housing and Planning Bill (Programme) (No. 2)

8.47 pm

The Minister for Housing and Planning (Brandon Lewis): I beg to move,

That the Order of 2 November 2015 (Housing and Planning Bill (Programme)) be varied as follows:

- (1) Paragraphs (4) and (5) of the Order shall be omitted.
- (2) Proceedings on Consideration up to and including Third Reading shall be taken in two days in accordance with the following provisions of this Order.
- (3) Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.
- (4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

Table

<i>Proceedings</i>	<i>Time for conclusion of proceedings</i>
<i>First day</i>	
New clauses, new Schedules and amendments relating to Part 1	Two hours after the commencement of proceedings on the motion for this order.
New clauses, new Schedules and amendments relating to the following: (a) Chapter 3 of Part 4; (b) the recovery of social housing assistance; (c) the insolvency of social housing providers; (d) Part 2; (e) Part 3	Four hours after the commencement of proceedings on the motion for this order.
New clauses, new Schedules and amendments relating to the following: (a) Part 6; (b) surplus land held by public bodies or the disposal of land by public bodies	Six hours after the commencement of proceedings on the motion for this order.
<i>Second day</i>	
New clauses, new Schedules and amendments relating to the following (a) Chapter 2 of Part 4; (b) Chapter 4 of Part 4; (c) Chapter 5 of Part 4; (d) Chapter 1 of Part 4.	Two hours after the commencement of proceedings on Consideration on the second day.
New clauses, new Schedules and amendments relating to the following: (a) Part 5; (b) Part 7; remaining proceedings on Consideration	Four hours after the commencement of proceedings on Consideration on the second day.

(5) Proceedings in Legislative Grand Committee shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement on the second day.

(6) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement on the second day.

In the light of the points of order that we had a few moments ago, let me say that this programme motion has been agreed through the usual channels to ensure proper and full scrutiny of the Bill, and I am happy to facilitate requests from Labour Members to do that. Given the comments made by some Members about the time until which we may be here tonight, all colleagues have the ability to exercise self-restraint if they wish,

and from a ministerial point of view I will do that to ensure that Back Benchers have a good opportunity to speak.

8.48 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): I rise to take real issue with the Government's programming of the Bill. Not only did we have extraordinary cut-offs in Committee that at times made it difficult for the Opposition effectively to scrutinise the legislation, but we must ask why the Bill was brought back today when it had to be fitted in around four statements, meaning that we are starting the debate at this late hour. Why have the groupings been so oddly applied, meaning that little time is available for really contentious parts of the Bill?

What I most take issue with is the huge amount of new clauses and amendments to the Bill that the Government tabled over the Christmas period. We are considering most of them this evening when seeking to determine what the changes mean for housing associations with regard to regulation and deregulation, and to large-scale systemic changes to our planning system. Most planning organisations and agencies have simply had no time to assess what these changes will mean for them or the planning system. Never in my experience of many Bills in this House have I witnessed 65 pages of Government new clauses and amendments being produced at the last minute for a Bill that is 145 pages long. That is simply appalling and means that there will be no proper scrutiny in this House of almost a third of the Bill. We wish to register our strong view that that is no way for legislation to be made, and the Government should do the honourable thing and reprogramme this debate.

8.49 pm

Sir Peter Bottomley (Worthing West) (Con): I do not think there would be any objection if the Government agreed to that, but we are in the situation we are in.

The Bill totally misses out the necessary changes to leasehold and commonhold. Some years ago, the House passed a Bill to allow commonhold to come in. It has defects and we are going to be lumbered with more and more leaseholds being created—for over half of new homes.

The second thing I object to is that we have not taken the easy opportunity of cutting out the forfeiture of people's homes when there has been a little dispute over some charges. I hope that later on, perhaps in another place, if not on Report and Third Reading, the House will realise that the Government really need to get on and sort out the problems of leasehold that affect a very, very high number of property owners.

8.50 pm

Fiona Mactaggart (Slough) (Lab): I am very unhappy about the programme motion, merely because of the time we are starting to debate it: 10 minutes to 9. This means that really important clauses will be considered after midnight, for example on whether there can be any priority for local people when it comes to purchasing of starter homes, which is included in new clause 57. There a number of really important issues which frankly I think our constituents, who are concerned about housing

[Fiona Mactaggart]

and planning, would not expect to be decided after midnight. That is not grown up; it is a return to the days when I first came to this House and voted against beating children at 4 am. I vowed never to have such important votes at that time of the morning again.

This House has modernised most of its procedures. In line with that, we should reject the programme motion. We should agree to proceed on the order of debate that we have agreed to. I am quite sure the usual channels could arrange that comfortably if the motion were to be defeated. We should defeat it and not have a debate on such important matters at 1 am.

Question put.

The House divided: Ayes 303, Noes 195.

Division No. 153]

[8.52 pm

AYES

Adams, Nigel	Cleverly, James
Afriyie, Adam	Clifton-Brown, Geoffrey
Allan, Lucy	Coffey, Dr Thérèse
Allen, Heidi	Collins, Damian
Amess, Sir David	Colville, Oliver
Andrew, Stuart	Costa, Alberto
Ansell, Caroline	Crabb, rh Stephen
Argar, Edward	Crouch, Tracey
Atkins, Victoria	Davies, Byron
Bacon, Mr Richard	Davies, Chris
Baldwin, Harriett	Davies, David T. C.
Barclay, Stephen	Davies, Glyn
Barwell, Gavin	Davies, Dr James
Bebb, Guto	Davies, Mims
Bellingham, Sir Henry	Djanogly, Mr Jonathan
Benyon, Richard	Donelan, Michelle
Beresford, Sir Paul	Double, Steve
Berry, Jake	Dowden, Oliver
Berry, James	Doyle-Price, Jackie
Bingham, Andrew	Drummond, Mrs Flick
Blackman, Bob	Duddridge, James
Blackwood, Nicola	Duncan, rh Sir Alan
Blunt, Crispin	Duncan Smith, rh Mr Iain
Boles, Nick	Dunne, Mr Philip
Bone, Mr Peter	Elliott, Tom
Borwick, Victoria	Ellis, Michael
Bottomley, Sir Peter	Ellison, Jane
Bradley, Karen	Ellwood, Mr Tobias
Brady, Mr Graham	Elphicke, Charlie
Brazier, Mr Julian	Eustice, George
Bridger, Andrew	Evans, Graham
Brine, Steve	Evans, Mr Nigel
Brokenshire, rh James	Evennett, rh Mr David
Bruce, Fiona	Fabricant, Michael
Buckland, Robert	Fallon, rh Michael
Burns, Conor	Fernandes, Suella
Burns, rh Sir Simon	Field, rh Mark
Burrowes, Mr David	Foster, Kevin
Burt, rh Alistair	Fox, rh Dr Liam
Cairns, Alun	Frazer, Lucy
Carmichael, Neil	Freeman, George
Cartledge, James	Freer, Mike
Cash, Sir William	Fuller, Richard
Caulfield, Maria	Fysh, Marcus
Chalk, Alex	Gale, Sir Roger
Chishti, Rehman	Garnier, rh Sir Edward
Chope, Mr Christopher	Ghani, Nusrat
Churchill, Jo	Gibb, Mr Nick
Clark, rh Greg	Gillan, rh Mrs Cheryl
Clarke, rh Mr Kenneth	Glen, John

Goodwill, Mr Robert	Lopresti, Jack
Gove, rh Michael	Lord, Jonathan
Graham, Richard	Loughton, Tim
Grant, Mrs Helen	Lumley, Karen
Grayling, rh Chris	Mackinlay, Craig
Green, Chris	Mackintosh, David
Green, rh Damian	Main, Mrs Anne
Greening, rh Justine	Mak, Mr Alan
Grieve, rh Mr Dominic	Malthouse, Kit
Griffiths, Andrew	Mann, Scott
Gummer, Ben	Mathias, Dr Tania
Gyimah, Mr Sam	Maynard, Paul
Hall, Luke	McCartney, Jason
Hammond, Stephen	McLoughlin, rh Mr Patrick
Hancock, rh Matthew	McPartland, Stephen
Hands, rh Greg	Menzies, Mark
Harper, rh Mr Mark	Mercer, Johnny
Harrington, Richard	Merriman, Huw
Harris, Rebecca	Metcalfe, Stephen
Hart, Simon	Miller, rh Mrs Maria
Haselhurst, rh Sir Alan	Milling, Amanda
Hayes, rh Mr John	Mills, Nigel
Heald, Sir Oliver	Milton, rh Anne
Heapey, James	Mitchell, rh Mr Andrew
Heaton-Harris, Chris	Mordaunt, Penny
Heaton-Jones, Peter	Morgan, rh Nicky
Henderson, Gordon	Morris, Anne Marie
Herbert, rh Nick	Morris, David
Hinds, Damian	Morris, James
Hoare, Simon	Morton, Wendy
Hollingbery, George	Mowat, David
Hollinrake, Kevin	Mundell, rh David
Hollobone, Mr Philip	Murray, Mrs Sheryll
Hopkins, Kris	Murrison, Dr Andrew
Howarth, Sir Gerald	Neill, Robert
Howell, John	Nokes, Caroline
Howlett, Ben	Norman, Jesse
Huddleston, Nigel	Nuttall, Mr David
Hunt, rh Mr Jeremy	Offord, Dr Matthew
Hurd, Mr Nick	Opperman, Guy
Jackson, Mr Stewart	Parish, Neil
James, Margot	Paterson, rh Mr Owen
Javid, rh Sajid	Pawsey, Mark
Jayawardena, Mr Ranil	Penning, rh Mike
Jenkin, Mr Bernard	Penrose, John
Jenkyns, Andrea	Percy, Andrew
Jenrick, Robert	Phillips, Stephen
Johnson, Boris	Philp, Chris
Johnson, Gareth	Pickles, rh Sir Eric
Johnson, Joseph	Pincher, Christopher
Jones, Andrew	Poulter, Dr Daniel
Jones, rh Mr David	Pow, Rebecca
Jones, Mr Marcus	Prentis, Victoria
Kawczynski, Daniel	Prisk, Mr Mark
Kennedy, Seema	Pritchard, Mark
Kinahan, Danny	Pursglove, Tom
Knight, rh Sir Greg	Quin, Jeremy
Knight, Julian	Quince, Will
Kwarteng, Kwasi	Raab, Mr Dominic
Lancaster, Mark	Redwood, rh John
Latham, Pauline	Rees-Mogg, Mr Jacob
Leadsom, Andrea	Robertson, Mr Laurence
Lee, Dr Phillip	Robinson, Mary
Lefroy, Jeremy	Rosindell, Andrew
Leigh, Sir Edward	Rudd, rh Amber
Leslie, Charlotte	Rutley, David
Letwin, rh Mr Oliver	Sandbach, Antoinette
Lewis, Brandon	Scully, Paul
Lewis, rh Dr Julian	Selous, Andrew
Liddell-Grainger, Mr Ian	Shapps, rh Grant
Lidington, rh Mr David	Sharma, Alok
Lilley, rh Mr Peter	Shelbrooke, Alec

Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David

Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Ayes:

**Simon Kirby and
Sarah Newton**

NOES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Iain
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Jenny
Clegg, rh Mr Nick
Coffey, Ann
Corbyn, rh Jeremy
Coyle, Neil
Crausby, Mr David
Creasy, Stella

Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
David, Wayne
Davies, Geraint
Donaldson, rh Mr Jeffrey M.
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Durkan, Mark
Edwards, Jonathan
Elliott, Julie
Ellman, Mrs Louise
Evans, Chris
Farrelly, Paul
Farron, Tim
Field, rh Frank
Fitzpatrick, Jim
Flelo, Robert
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Hamilton, Fabian
Hanson, rh Mr David

Harman, rh Ms Harriet
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Iain
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Iain C.
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.

Mulholland, Greg
Murray, Iain
Onn, Melanie
Osamor, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Gavin
Robinson, Mr Geoffrey
Rotheram, Steve
Saville Roberts, Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sherriff, Paula
Siddiq, Tulip
Simpson, David
Skinner, Mr Dennis
Smeeth, Ruth
Smith, Angela
Smith, Cat
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Starmer, Keir
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Turley, Anna
Turner, Karl
Vaz, Valerie
West, Catherine
Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Noes:

**Holly Lynch and
Jeff Smith**

Question accordingly agreed to.

Madam Deputy Speaker (Mrs Eleanor Laing): As Mr Speaker informed the House on Monday 26 October, before a Report stage begins on a Bill, he will seek to identify in advance those changes made in Committee which he would expect to certify as relating only to England or only to England and Wales, together with

[Madam Deputy Speaker]

any Government amendments tabled for Report stage which, if passed, would be likely to lead him to issue a certificate. Mr Speaker's provisional certificate, based on those changes and expected amendments, is available on the Bills before Parliament website.

At the end of the Report stage of a Bill, on its second day in this case, Mr Speaker is required to consider the Bill as amended on Report for certification. Before we get to that point, he will issue a further provisional certificate. As Mr Speaker informed the House on 26 October, he has accepted the advice of the Procedure Committee not, as a rule, to give reasons for decisions on certification during this experimental phase of the new regime. Anyone wishing to make representations to Mr Speaker prior to any decision should send them to the Clerk of Legislation.

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Madam Deputy Speaker. I wonder whether you can help me. Have you any idea or any clue what any of that meant—[*Interruption.*]

Madam Deputy Speaker: Order. Because there is noise in the Chamber, I cannot hear the hon. Gentleman's point of order.

Pete Wishart: I repeat my point of order. Have you any idea or any clue what any of that which you have just read out meant?

Madam Deputy Speaker: Yes. I thought it was crystal clear and I deliberately announced it very slowly to ensure that all Members in the House had a chance to understand it. If the hon. Gentleman would like a tutorial, we are all available later—it is no problem.

Housing and Planning Bill

[1st ALLOCATED DAY]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 1

BUILDING CONTROL STANDARDS FOR STARTER HOMES

'(1) The Secretary of State shall by regulations require all starter homes meeting the definition at section 2 to meet the requirements of this section.

(2) The requirements are that—

- (a) he starter home complies with all the requirements of Building Regulations currently applicable to the dwelling at the time of its construction or adaptation;
- (b) the starter home has been inspected by a Building Control Body in compliance with the Building Control Performance Standards currently applicable at the time of its construction or adaptation; and

(c) all records relating to all site inspections and assessments by the Building Control Body regarding the home's compliance with the Building Regulations are made available to prospective buyers of the starter home." .—(*Mrs Miller.*)

This new Clause would require all Starter Homes not only to be subject to the statutory regime of building inspection controls, carried out in compliance with the Building Control Performance Standards, but also to comply with a requirement for site inspection records and the assessment of compliance to be made available to home buyers.

Brought up, and read the First time.

9.7 pm

Mrs Maria Miller (Basingstoke) (Con): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Mrs Eleanor Laing): With this it will be convenient to discuss the following:

New clause 2—*Duty to meet the resilience objective*—

'(1) The Secretary of State and planning authorities in exercising and performing the powers and functions conferred or imposed by the provisions in Part 1 (New homes in England) and Part 6 (Planning in England) of this Act shall exercise or perform them in the manner which he or they consider is best calculated to further the resilience objective at subsection (2).

(2) The resilience objective is—

- (a) to secure the long-term resilience of housing developments as regards environmental pressures, population growth and changes in consumer behaviour, with particular regard to water supply management, sewerage management, flood risk mitigation and waste disposal, and
- (b) to secure steps for the purpose of meeting, in the long term, the need for sustainable homes and communities, including by promoting—
 - (i) appropriate long-term planning and investment by relevant parties, and
 - (ii) the taking of measures by the relevant parties to manage resource use in sustainable ways, to achieve sustainable management of water, and to increase resource efficiency so as to reduce pressure on the natural environment.

(3) In this section, "relevant parties" includes—

- (a) relevant undertakers, including licence holders and authorised suppliers, as provided in the Gas Act 1986, the Electricity Act 1989 and the Water Industries Act 1991; and
- (b) individuals and bodies corporate who are seeking planning permission in order to build houses."

This new Clause would provide a statutory duty on the Secretary of State and local authorities to secure and promote the resilience of housing and other development.

Amendment 31, in clause 1, page 1, line 6, after “promote”, insert
“new homes across all tenures, including”.

The amendment would change the purpose of the Bill to one that would enable the supply of more housing across all tenures rather than just starter homes.

Amendment 32, in page 1, line 7, at end insert
“and the infrastructure needed to support such developments”.

The amendment would ensure that additional housing is supported with adequate infrastructure.

Amendment 33, in page 1, line 12, leave out
“at a discount of at least 20% of the market value” and insert “at a price no higher than is affordable to a household receiving the median local household income, with affordability to be determined by the local authority.”

The amendment would ensure that starter homes are affordable at locally-determined rates of income.

Amendment 34, in clause 2, page 1, line 15, at end insert—

“() is not to be sold to buy-to-let investors”.

The amendment would exclude “Buy to Let Property ” from the definition of starter home.

Amendment 35, in page 1, line 15, at end insert—

“() is built on under-used or unviable brownfield sites not currently identified for housing on public and private land, as determined by the local authority.”

The amendment would limit starter homes to ‘exception sites’, as previously announced by the Government.

Amendment 37, in page 2, line 10, at end insert—

“(d) lives or works locally, with the definition of local to be defined by the local authority or the Greater London Authority in London.”

The amendment would ensure that a proportion of starter homes are available to local people.

Amendment 38, in page 2, line 22, after “State”, insert

“after consultation with the relevant local authority or local authorities and the Mayor of London.”

The amendment would provide that the price cap can only be amended after consultation with the relevant local authorities and the Mayor of London.

Amendment 39, in page 2, line 25, at end insert—

“(8A) The restrictions on resales and letting at open market value relating to first time buyer starter homes must be in perpetuity.”

The amendment would require the discount to remain in perpetuity.

Amendment 1, in clause 3, page 2, line 28, after “starter homes” insert

“or alternative affordable home ownership products, such as rent to buy”.

This amendment would ensure that new developments provide a mix of affordable home ownership products for first time buyers, to further widen opportunities for home ownership.

Amendment 110, in page 2, line 28, after “starter homes” insert

“and other types of affordable housing”.

This amendment would ensure that new developments include a range of affordable housing options, to rent and buy.

Amendment 40, in page 2, line 28, at end insert

“except where the local authority considers that providing starter homes would prevent other types of affordable housing being built.”

The amendment would enable local authorities to be able to ask for planning gain measures that provide for a range of affordable homes other than starter homes.

Amendment 41, in clause 4, page 3, line 13, at end insert

“and which has been subject to a full assessment of the need for starter homes in the relevant local authority area.”

The amendment would ensure that priority is not given to the provision of starter homes in a given area before a full assessment of the number of such homes needed has taken place.

Amendment 42, in page 3, line 18, at end insert—

“The regulations may provide that sites can be exempted from the requirement to promote starter homes where a site has a scheme that—

(a) is a “build to rent” scheme;

(b) contains supported housing for younger people, older people, people with special needs and people with disabilities;

(c) contains a homeless hostel;

(d) contains refuge accommodation; or

(e) contains specialist housing.”

The amendment would remove sites from the starter homes requirement where other types of affordable housing has already been planned for.

Amendment 43, in clause 5, page 3, line 31, at end insert

“which must be displayed on the authority’s website and updated annually, contain information on all types of affordable housing, and include information that starter homes remain to be sold at 20% below market value.”

The amendment would require local planning authorities to report on their functions in respect of starter homes, affordable housing more generally, and that starter homes remain to be sold below market value annually and to publish the report.

Amendment 44, in page 3, line 40, at end insert

“and to demonstrate that the land in question is not needed for employment, retail, leisure, industrial or distribution use.”

The amendment would empower the Secretary of State to require data on the extent to which land used for starter homes was not needed for employment, retail, leisure, industrial or distribution use.

Amendment 45, page 4, line 1, leave out clause 6.

The amendment would remove Clause 6 from the Bill.

Amendment 2, in clause 6, page 4, line 4, after “starter homes” insert

“or alternative affordable home ownership products such as rent to buy”.

This amendment would ensure that new developments provide a mix of affordable home ownership products for first time buyers, to further widen opportunities for home ownership.

Amendment 46, in clause 8, page 5, line 36, at end insert “and without unreasonable cost.”

The amendment would prevent local authorities having to bring forward sites that are deemed to be at an unreasonable cost.

Mrs Miller: I am sure that new clause 1 will be well worth the wait. I take this opportunity to thank the Clerks of the House for their expert help in drafting the new clause.

The new clause will ensure that the Bill does exactly what the Minister wants it to do. It will ensure that every starter home is top-quality and is inspected and built in accordance with existing house building quality processes and standards, and that the records that are already made at key points in the building process are available to new homeowners in order to increase transparency and drive up the quality of the new homes in which the Government are investing.

[Mrs Miller]

I am extremely grateful to my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) for his support, and in particular for his diligent chairmanship of the all-party parliamentary group for excellence in the built environment. In the APPG, we are working together on a formal inquiry into house-building standards, which involves a detailed evidence-led scrutiny of the problems that need to be dealt with.

Victoria Borwick (Kensington) (Con): Will these homes also be disabled-accessible? I am a passionate believer in the importance of lifetime homes for communities and families, especially in view of debates that we have had and what we have already heard this evening. Will my right hon. Friend assure me that all possible ways of improving disabled accessibility will be considered?

Mrs Miller: My hon. Friend has raised an important point, to which I am sure the Minister will respond later. One of the problems is that proposals for the construction of houses which might include disability accessibility are judged by the same group who made the proposals in the first place. There is, at the very least, some conflict of interest in the way in which the process currently works.

Ensuring that enough homes are available is, rightly, a priority for the Government, and I applaud their commitment to helping to ensure that people have the security of owning their own homes. Hundreds of my constituents have already benefited from the Help to Buy scheme. I know that many of them keenly await the roll-out of the right to buy scheme, and will take careful note of anything that the Minister may say about it. Let me, at this point, thank him for his support for the new self-build scheme that was announced in my constituency just before the Christmas break.

The Minister is clearly committed to ensuring that the new starter homes are of top quality. Those are not just warm words; the Minister has taken action. The design panel of which he has spoken at length during the Bill's earlier stages will play a significant part in ensuring that the plans for starter homes are of the highest quality. My new clause would ensure that the top-quality plans that he rightly endorses are turned into top-quality buildings each and every time, and I hope that he will respond to it positively.

Mark Field (Cities of London and Westminster) (Con): No one wants to see jerry-built properties; we all want to see high-quality properties being built. However, will my right hon. Friend give some indication of the discussions that she has had with providers of starter homes about the risk that the building of extremely high-quality homes will lead to a diminution in the overall number of starter homes, and to a reduction in what might be called the conventional affordable supply that is intended to meet the needs specified in section 106?

Mrs Miller: My right hon. Friend is right to suggest that there could be a trade-off in terms of quantity and quality, but I do not think that that should be used to disguise the need to ensure that every single house that is built reaches the standards that are already in place. My new clause does not ask for higher standards; it

simply asks for the standards that are already in place to be applied uniformly to every house that is built. It is not a question of creating new standards; it is simply a question of applying the standards that already exist.

9.15 pm

My right hon. Friend is right to raise the point, because at a time when we are seeing a significant increase in the demand for housing and the Government are attempting to ensure that more houses are built, we need to prevent further blocks from being put in the way. However, the Minister must acknowledge that the market for house buyers has changed. There are fewer local builders and more national brands. Indeed, over the last year, a mere eight companies were responsible for building half the new homes in the country.

On a regional basis, at any one time the level of real competition between house builders is frankly non-existent. This is far from a perfect market, and the current system of quality oversight was put in place when the local reputation of a builder was critical to a purchaser: builders were as good as their last build. Times have changed, and now a buyer may have little or no choice, and little or no information to go on other than national advertising campaigns. National builders seldom employ their own plumbers, bricklayers and electricians, and use subcontractors in their place. This change in market conditions means it is right that there should be a change in the independent quality monitoring scheme that is in place so that those changes can be reflected in full.

Rebecca Harris (Castle Point) (Con): On the point about restriction of choice and the rise of the big unit developers, does my right hon. Friend feel this might explain why we are not getting all the builds we need in the timely way we need, and that it may well not be in the interests of the big unit developers to build fast enough to stop the prices rising?

Mrs Miller: My hon. Friend is right to raise that point, and I was very pleased to see the Minister, and I think the Prime Minister as well, underlining the importance of encouraging more small house builders to be involved, particularly in self-build schemes where they can increase the supply of housing far faster than some of the national builders.

Good building plans are not enough; there needs to be a watertight process to ensure that at each stage every home is built to standard. Few who buy one of the 200,000 new starter homes that the Minister is talking about today will be expert house builders, plumbers or electricians, and by definition none will have purchased a house before. If these people were buying a second-hand house—one that somebody else had lived in before—most would be relying on the professional services of a surveyor. They would therefore be relying on a professional who would give their potential new home a structural health check before the sale was completed.

For the most part, those buying new starter homes will not have that structural health check because it is a new house, a glossy, shiny, perfect new show home that the salespeople are promising them. They therefore think, "Surely there's no need for a quality check. There are quality checks built into the processes, aren't there? There are building regulations set out in law, building

control performance standards, independent approved inspectors whose only reason to be is to safeguard quality—in essence to safeguard the buyer in this imperfect market.” Yet those who experience problems with new homes quickly discover that too many of those quality checks are not as watertight as they might at first appear. Independent oversight of the building process may not be working in practice as the rules and regulations might imply.

Mr Richard Bacon (South Norfolk) (Con): I am delighted that my right hon. Friend has given way, first because it is a pleasure to hear her speak. Every moment she speaks is a moment we do not have to hear from the hon. Member for Harrow West (Mr Thomas), whom so many of us in the Committee heard droning on like an out-of-tune bagpipe for hours on end. Just by standing and speaking, my right hon. Friend is preventing the House from having to listen to him again, so I thank her for that.

Does my right hon. Friend agree that the experience of many constituency MPs as they go about their work and listen to constituency complaints is that the existing process through the National House Building Council does not always provide the reassurance that people are entitled to expect? While it might be a bit strong to say that the NHBC is the lackey of the large house builders, it is preciously close to being that.

Mrs Miller: I thank my hon. Friend for his intervention and pay tribute to him for the work he has done in helping more of my constituents have the opportunity to build their own homes. I did not have the pleasure of sitting across from the hon. Member for Harrow West (Mr Thomas), although I am sure we will hear his dulcet tones later.

Many people who buy a new home will have problems with the house they purchase; they will have a snagging list—chipped paint, ill-fitting doors and so on. I do not deny the importance of getting such matters resolved, and the Minister may well want to address some of the difficulties people can experience in getting those small-scale problems fixed, but, as valid as those concerns are, that is not the point of this amendment. New clause 1 would ensure that every home was checked for significant defects while it was being built and at the end of the building process.

Over recent months, I have received evidence from people up and down the country who have purchased new properties with significant defects from major house builders. Some of those properties have damp-proof courses that are below ground level; some have been built off their foundations; and some have roofs sitting on walls that are not structural. There are also reports of inadequate fire insulation and an absence of cavity-wall or loft insulation. Those are real-life examples of defects in houses that are subject to the current regime. Every one of those building errors should have been picked up during the construction of the house, as part of the building control process. That process exists to ensure that houses are built properly. The approved inspector is responsible for building control performance standards and is, to all intents and purposes, the professional who acts as the eyes and ears of the future buyer.

As matters stand, however, there is no legal requirement for even one visit to be made to a new-build home during the build in order physically to check the building

standards. On a new estate, a random selection of houses might be monitored and the results extrapolated as though every house were the same. This is called a risk-based approach, but in reality it feels like a lottery. The fact is that every house could be different. The subsoil across a 300-house estate can change dramatically, for example, and changes in the weather throughout the build can significantly affect materials and the way they work. The current risk based-approach creates an unnecessary lottery for the home buyer, rather than certainty. There is a calculated risk, which is not something that most buyers appreciate, and not something that most buyers would expect to accompany the purchase of a £200,000 or £300,000 house.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Does my hon. Friend not agree that people should get a survey done before buying a new-build house?

Mrs Miller: My hon. Friend makes an interesting point. This is something that we discussed in the evidence sessions held by the all-party parliamentary group on excellence in the built environment. Some of my constituents have indeed been forced to get surveys done as a result of the problems they have experienced after purchasing new houses. That might be the route that the Minister would favour, but I would favour getting it right first time and ensuring that we have a system of compliance that is overseen effectively.

The present guidance is comprehensive, and I believe that it is among the best in the world. It is pretty exhaustive, but it is just that: guidance. The Minister's Department makes it clear that it is advisable to make four to six visits, even to low-risk new-build houses, but that is not a requirement. New clause 1 would provide certainty that every home would be visited at key points in the construction process. The evidence indicates that building control does not always work as the Government intended it to. Buyers are under the impression that their new home has been physically inspected at each key stage and on completion by a building control inspector, but that is not necessarily the case. On a big estate of several hundred houses, only a handful might be checked. The current risk-based approach adopted by many house builders means that hundreds of houses could have no checks at all, and the current skills shortfall has led to heartache for many new homeowners.

Bob Blackman (Harrow East) (Con): My right hon. Friend's new clause seems to deal only with starter homes. She is making a powerful case for the protection of all those who wish to buy a new home, so the new clause should surely apply to all new homes and not just to starter homes.

Mrs Miller: My hon. Friend is absolutely right, but I am sure that I would incur the wrath of Madam Deputy Speaker if the new clause did not deal with starter homes, as it needs to be read in the context of the Bill. I am glad that my hon. Friend has made that point, however, because this is a problem for every new home owner.

As I said, the shortfall of skilled tradesmen and women means that too many new homeowners are experiencing the problems that I have set out, with inadequate work not apparent for months or even years, and not caught at a time when things could be put right.

[Mrs Miller]

Some more unscrupulous builders could even play the system for short-term gain, using substandard contractors, perhaps poorly supervised, knowing that problems would not reveal themselves until after their sales targets for the year are reached, or indeed their liability ends and the new house build 10-year warranty kicks in and they are long gone.

The new clause would remove perverse incentives and this apparent quality control lottery, and would increase consistency and transparency in the house building process. It would simply enforce the existing regime for all new homes, rather than some. It would ensure that every new starter home was checked for correct construction. I am not talking about a higher standard or a new standard, but about the same standard for every house, thus removing the lottery that is currently in place. The new clause would simply put building control performance standards on a statutory basis and require the records already kept to be made available to the new buyer, so that they could satisfy themselves that proper checks had been made.

Simon Hoare (North Dorset) (Con): In the new regulatory regime that my right hon. Friend seeks to advocate, whom does she envisage funding, managing and employing this new army of new-build inspectors? Local authorities up and down the country are seeing their budgets under pressure, so this is not going to come from that side of the equation.

Mrs Miller: My hon. Friend is right, which is why independent approved inspectors were set up when they were, to take pressure off local authorities. The problem we have seen is that because we are not working within a defined statutory scheme, those approved inspectors can vary the way in which they work. Indeed, some could argue that there are pressures on approved inspectors to come in at a lower price or to offer to do fewer inspections because it would cost the house builders less. What I am advocating here is a level playing field where all approved inspectors would be acting in the same way, and this is firmly something that would be a cost covered by the house builders. After all, we are dealing with properties worth many hundreds of thousands of pounds, and we would want to make sure that they were going to last for the long term and not simply be subject to inappropriate and inadequate quality checks.

I urge the Minister, on behalf of the homeowners from many different constituencies around the country who have contacted me, to listen to the arguments being made today and to respond positively to what is being suggested. With a nationwide shortage of skilled tradespeople, ever-growing demand for housing and home builders looking to keep costs low, buyers need protection afforded by the building control performance standards regime, and the work of approved inspectors is more important than ever before.

As I have just said, we need to remove the pressure that could exist on approved inspectors to reduce the number of inspections that are made in order to cut costs. We need a robust system to safeguard the quality of what is being built, particularly given the taxpayer investment in schemes such as the starter home initiative. Of course these concerns go far wider than starter homes, as my hon. Friend the Member for Harrow East (Bob Blackman) mentioned in his intervention. I hope

that the Government will look to further extend the requirements in this new clause to all new-build homes. I have spoken to the Minister about this issue in recent months and I know that he has a clear understanding of the problem. I look forward to his response and an indication as to whether the objectives set out in new clause 1 could be achieved for all new builds, perhaps through further regulations. With that, I shall draw my comments to a close.

Alex Cunningham (Stockton North) (Lab): I rise to speak to new clause 2, which stands in my name and that of my hon. Friend the Member for Bassetlaw (John Mann). It would place a statutory duty on the Secretary of State and local authorities to secure and promote the resilience of housing and other developments, giving consideration to the impact that new developments will have on resources and biodiversity.

9.30 pm

During the passage of the Bill, Members have addressed the need for many new homes, the record of past Administrations and the failures of the current Government that have led to rising homelessness, falling home ownership, escalating rents and deep cuts in investment. We all know that we need the houses, and efforts to help more people into a position of home ownership are to be welcomed. New clause 2, rather than seeking to undermine the essence of that ambition, attempts to improve the proposals by building into the Bill a recognition of the important environmental context, which is to ensure that new homes and developments are not only better to live in, but place a lighter burden on the environment. If the Government are serious about ramping up house building—I sincerely hope that they are—such considerations will be crucial. Simply put, the objective of the new clause is to promote the long-term sustainability of homes and communities, requiring that consideration be given to future-proofing new developments against mounting pressures from climate change and the burgeoning demands being placed on already stretched infrastructure.

A range of policies, including the climate change risk assessment and the national planning policy framework, already support such an approach through schemes such as sustainable drainage systems that could significantly enhance resilience. Despite the supporting evidence for the utility, very few new developments are implementing those strategies. Indeed, in a letter to Baroness Trafford over Christmas, the chair of the Adaptation Sub-Committee wrote that

“the uptake of sustainable drainage systems in new development is lamentable and the new proposals introduced in April repeat the same mistakes of the past.”

We must also be clear that the Bill in its current form would promote a profusion of rapid cheap building at the expense of proper planning and with no real requirement to consider any potential environmental impact. It is important that the chair of the Adaptation Sub-Committee also suggested that there is no evidence that resilience measures will affect the speed of development. I take this opportunity to echo calls for the Government to respond on that matter today.

Mr Mark Prisk (Hertford and Stortford) (Con): Given that the definition of resilience appears to be based on the existing planning law regarding sustainable development, will the hon. Gentleman explain the difference between the two and how it would be enforced?

Alex Cunningham: It is relatively straightforward. Currently, the measures are not necessarily imposed. The legislation is not strong enough to compel various changes, and I will come on to that as I go through my speech.

It is worthy of note that the new National Infrastructure Commission has been established without a mandate for sustainability or resilience and without any commissioners with expertise in the environment. Thousands of homes could therefore be given the green light in areas of flood risk or water stress and without proper provision for resource resilience or protection of urban diversity. There is a very real risk that new infrastructure will be built without proper regard for its impact on natural systems such as the water cycle or habitat connectivity. That is precisely what the campaign for flood-free homes led by the Association of British Insurers is attempting to halt, with calls for better planning, greater investment in flood defences and a stop to inappropriate development. Indeed during Environment, Food and Rural Affairs questions in December, the Under-Secretary of State, the hon. Member for Penrith and The Border (Rory Stewart) suggested that we needed to end house building on floodplains. Perhaps the Minister can tell us whether there will be a change of policy in that area.

The statutory duty that new clause 2 seeks to introduce would address those shortcomings by securing a resilience objective, promoting measures by developers and those responsible for utilities infrastructure to further that goal in building homes in communities that are sustainable in the longer term. This is an important point. By promoting action to respond to pressures on the environment—be it from climate change, population growth or changes in behaviour—a statutory duty of resilience would encourage long-term planning and investment, and support measures to manage development sustainability and reduce demand on resources. That would represent a positive movement towards securing the continued viability of the infrastructure, on which new developments rely. I am clear that the proposals to speed up the planning system must not come at the expense of sensible design.

Let us not forget that the Secretary of State for Environment, Food and Rural Affairs has already recognised the advantages that building resilient homes can deliver relative to efforts aimed at adding resilience at some future date. Those folk who have suffered the effects of flooding in recent weeks will be only too familiar with the need for adding resilience by default. The concept of resilience in this context encompasses a broad spectrum of issues that range from waste disposal to water supply management and flood-risk mitigation.

Melanie Onn (Great Grimsby) (Lab): We heard earlier a number of colleagues from both sides of the House talking about the impact that the flooding that communities have experienced in recent weeks has had on their constituents' properties and belongings. It has to be accepted that such flooding is not the exception and is becoming the norm. It would be extraordinarily remiss of the Government not to accept the new clause.

Alex Cunningham: Indeed. The events of recent weeks highlight the need for the inclusion of the new clause in the Bill. The extensive flooding that devastated both large and small communities across swathes of Cumbria,

Lancashire and Yorkshire throughout December underlines the need for in-built resilience, so much so that the Environment Secretary has committed to revisiting the modelling used by the Environment Agency to ensure its fitness for purpose following repeated unprecedented weather events, as well as committed to a national flood resilience review which will see worst-case scenario planning updated.

These are certainly steps to be welcomed, and I hope the Minister will build on those commitments from his colleagues and agree to grasp the opportunity to legislate for a longer-term resilience objective in the Bill. Doing so would be of great significance at a time when cuts to the resource budget of the Department responsible for dealing with flooding are fresh in the memory and doubts remain about the equally vital issue of spending on flood defence maintenance to ensure its continued integrity.

Although the Government must commit to long-term investment in maintaining flood defences to provide stability and certainty, it is high time that Ministers dropped their complacency about the need for climate change adaptation and actively put measures in place to increase resilience. David Rooke, deputy chief executive of the Environment Agency, recently echoed this thinking, saying that we need a "complete rethink" in our approach and suggesting that

"we will need to move from not just providing better defences...but looking at increasing resilience".

Building higher walls will not, on its own, provide the protection that our towns and cities need. Such an approach has been well and truly debunked in the past month alone. Instead, we need measures aimed at prevention as well as at defence. Achieving this, as the floods Minister acknowledged only a few weeks ago, means more trees and woodland in the hills, functioning ponds and bogs, allowing rivers to meander, and constructing buffer zones around their banks. The Government's own climate change risk assessment lists the various risks resulting from climate change to which our homes and communities need to be resilient, including damage to property due to flooding and coastal erosion, and energy infrastructure at significant risk of flooding.

However, although new developments are to be prepared for all the eventualities identified in the risk assessment, the Government's plans for infrastructure development pay little attention to the need to manage resource risks or the need for so-called green and blue infrastructure to support development by better bringing together water management and green infrastructure. That is worrying when continued urbanisation is drastically reducing the amount of rainfall that can soak away into the ground, meaning that water has to be actively managed to prevent flooding.

Although national planning policy was strengthened from April 2015, making clear the expectation that sustainable drainage systems will be provided in all major developments unless demonstrably inappropriate, that was a blatant watering down of previous commitments. The Government originally said that sustainable drainage systems would become compulsory in all new developments from April 2014, as mandated by the flood and water management legislation, but they delayed implementation before choosing to ignore completely the findings of the 2007 Pitt review and cancelling plans for the approval

[Alex Cunningham]

bodies that would have been established by local authorities. Will the Minister tell the House what proportion of new developments now include sustainable drainage systems?

Exemptions and opt-outs currently apply to smaller developments, allowing many to go ahead without sustainable drainage. The Government stopped short of implementing the Pitt review recommendation to remove developers' automatic right to connect new homes to the public sewer system, which provides an incentive for them to include sustainable drainage.

The provisions in new clause 2 would ensure that local authorities and the Secretary of State take the positive steps necessary to promote resilience and protect against such damage in future. A failure to address the issue, however, and choosing to push ahead with non-resilient development is likely to increase costs in the economy, not to mention ruining people's homes and livelihoods at the same time as threatening critical national infrastructure. It is therefore vital that as the area of urban development grows, sufficient green space and wetland must be incorporated to support nature and to manage flood risk both in any new developments and downstream. With the failure of the existing framework to encourage developers to pursue such strategies freely, it is right that mechanisms should be put in place to compel developers to create more places for trees, shrubs and grass to flourish—to create what engineers in the field term “hydraulic roughness.”

Today the Government have a chance to add a vital part of the system: the management of water in our communities. Many hon. Members will have seen the story of the north Yorkshire town of Pickering, which used natural flood defences to protect itself when traditional concrete options were too expensive. At a tenth of the cost, the people of Pickering were protected by investing in natural resilience. We should incorporate that objective in all our new developments. Although added resilience is certainly no guarantee that such flooding will not occur, there is popular concurrence that the absence of such features compounds and intensifies these events.

Ministers will recognise what new clause 2 would achieve. I hope that it will be accepted, or that we will hear alternative proposals from Ministers on how to address the specific issues I have raised today. We owe it to the country and, in particular, to every individual and family who have suffered in recent weeks.

Oliver Colville: Thank you, Madam Deputy Speaker, for calling me to speak in this debate on new clause 1, which was introduced by my right hon. Friend the Member for Basingstoke (Mrs Miller), whom I thank for her generous and heartfelt words. Before going any further, I draw Members' attention to my entry in the Register of Members' Financial Interests; I have an interest in that I still give advice to developers.

I am also chairman of the all-party group for excellence in the built environment, which, along with my right hon. Friend the Member for Basingstoke, is currently conducting an inquiry into the quality of new build. Although I have no wish to prejudge or predict the report's recommendations, I want to explain a little about why we have launched the inquiry. I remind the House that I am also probably one of the only Conservative

Members who represents a totally inner-city seat—the only thing I have that resembles a field is a muddy meadow called the Ponderosa pony sanctuary.

I am keen to pay tribute to the previous Labour Government for embarking upon a great deal of regeneration in the Devonport part of my constituency. Like most of Plymouth, Devonport was badly bombed by the Luftwaffe during the Blitz. The city fathers quickly put up new housing to accommodate the many homeless in the city but, as Members can imagine, its quality was not fantastic. After all, it was erected after the war, so with very little money.

I am delighted that the coalition and Conservative Governments have continued with the previous Government's housing initiative. The Government ensured that there would be a mix of both municipal and private market housing, which is important as it has changed the demographic profile of the ward. I am delighted that the Government have set themselves a target of building 200,000 new homes by 2020. Oddly enough, that is the year when we will celebrate the anniversary of the Mayflower leaving the great city of Plymouth in order to found the American colonies.

I am very keen that we should have good-quality design in any new housing. The vast majority of the new builds are perfectly acceptable. However, I am surprised at the number of new builds in my constituency that are already showing mould after just five years. I am also surprised by the number of constituents who have beaten a path to my constituency surgery because they have problems with the quality of their housing. In the main, the developers have agreed to take up those cases, but they are very aware that they have to be careful; they want to ensure that they do not find themselves legally liable.

There has been some confusion as to who is responsible for sorting out those problems. Is it the council? Should it have signed off on the development before it was sold? Where do the insurers fit in? What happens if the consumer, who has paid good money for the property, cannot get a satisfactory answer? Who should consumers go to if they cannot get redress? We need to remember that this is probably the biggest investment that individuals—our constituents, and probably ourselves—will make in their lifetime. I hope that our report on the built environment will deal with those issues and suggest some recommendations on how the inspection regime can be improved and strengthened.

9.45 pm

Finally Madam Deputy Speaker, you cannot expect me to give up an opportunity to raise how development can be environmentally friendly. Developers need to play a part in helping to save—you've got it—the hedgehog. We need to make sure that hedgehogs can move between gardens. I ask the Government to give advice to local authorities on how to develop a hedgehog superhighway. Members should remember that my hedgehog campaign is not just for Christmas, and nor should quality new builds be. We need to make sure that we avoid building the slums of tomorrow. I support the spirit of new clause 1, but I am keen to wait until the all-party group has produced its report before the changes are enacted.

Tim Farron (Westmorland and Lonsdale) (LD): The Bill comes at the right time—in the midst of a national housing crisis—but unfortunately it does not provide

the right solution. It is clear that Britain needs more affordable homes, both to rent and buy, and a huge increase in the supply of homes. Yet the Bill gives billions of pounds to a relatively small number of people through the extension of right to buy while prioritising a relatively small number of better-off renters through so-called starter homes, rather than supporting the much larger number of people for whom saving for a deposit, even for a starter home, seems like a pipe dream.

The purpose of my amendment 110 is to ensure that new homes built under the starter homes initiative are genuinely affordable and include social rented homes. Unamended, this Bill threatens an even worse crisis for those in need of an affordable home to rent or buy in the years to come.

As it stands, the starter homes initiative will merely allow a few people to access those homes at the cost of losing about 300,000 new genuinely affordable homes that would have been secured through planning gain. The policy is bad and based on the wrong priorities. In addition, the sale of social rented homes will further exacerbate the situation. It is expensive. The National Housing Federation estimates the cost at £11.6 billion. It is unfair for private renters, who have been paying market rents for many years and do not have the luxury of a £100,000 discount on buying a home. Given the Bill's current lack of safeguards for replacements and the funding mechanism through the sale of council homes, the policy will lead to a reduction in affordable homes. I would like the provision to be removed from the Bill when we discuss the matter later.

On amendment 110, we should ensure that new starter homes are genuinely affordable and meet the needs of the community in which they are built. They should be mixed-tenure, including shared ownership and social rented homes. In rural communities such as mine in south Cumbria, we should ensure that there are planning controls for newly built properties to prevent them from slipping into the second-home market, undermining the sustainability of our communities and pushing up house prices for local people.

The Government must recognise the differential impact of their proposals across the country. In places such as London, the west country, Northumberland and Cumbria, the forced selling off of high-value council homes will reduce the supply of affordable homes in the very places where they are needed most: where high rental prices push out those who work locally on low incomes, often causing them to travel long distances with unaffordably high travel costs to reach work or forcing them to give up work altogether. It is absolutely the wrong thing to do and puts a crippling financial burden on councils already struggling to cope with reduced budgets.

My amendment relates to the Bill's impact on the supply of affordable homes through the inaccurately titled starter homes proposal—in particular, the fact that the starter homes will replace a larger number of other forms of affordable homes to rent and buy, including shared ownership, resulting again in a squeezing of the availability of homes for lower-income renters. A policy similar to the starter homes proposal would be deserving of support as long as those homes were kept below market value in perpetuity, which is essential so that the benefits of starter homes are passed on to future buyers. However, they should be in addition to, not instead of, other forms of affordable homes that meet different

needs. Consequently, councils should have a duty to promote all forms of affordable tenures in new developments and not exclusively the Government's narrow, mostly unaffordable definition of a starter home.

Seema Kennedy (South Ribble) (Con): The hon. Gentleman talks about the affordability of starter homes, and I refer to a development in my constituency, in Penwortham—a place that he knows very well, because it is where he grew up. Much of this debate has been London-centric. In the vast majority of the country, starter homes are affordable to working people, and that is why this initiative is very popular with all our constituents.

Tim Farron: I am particularly grateful to have given way to my dad's MP. On affordability, we all started somewhere. We might be fortunate enough to be homeowners, but people who are only just a bit younger than me belong to a generation where the average earner cannot afford to buy a home of any kind, so a starter home is a great blessing wherever it may be. I am not arguing against starter homes, but against a narrow definition whereby they are built at the cost of a larger number of genuinely affordable homes across the country. That is what my amendment seeks to address.

Mr Bacon: There is a fallacy that the hon. Gentleman adumbrated again when he said “at the cost of”. Why “at the cost of”? Why cannot local councils establish, grow and promote mutual housing co-operatives?

Tim Farron: I am in favour of those things too, but our understanding is that the starter homes initiative comes at the expense of—displaces—a larger number of homes built under section 106 of the Town and Country Planning Act 1990 through other forms of planning gain. That is what the Government have stated since the election and since this Bill became a subject of discussion.

I am not somebody who ideologically takes a view in favour of private or publicly provided housing; in fact, my great problem is that too many people in this debate do take an ideological view one way or the other. I want to solve the crippling housing crisis in this country. That means building 3 million homes over the next 10 years, and to achieve that, the majority will have to be what we would refer to as affordable homes—social rented homes, shared ownership homes, and other homes with some form of restriction that allows them to be affordable to people on average incomes.

Mr Bacon: Why?

Tim Farron: Perhaps if the hon. Gentleman understood what the average earner earns and what the average home costs in the average place, he would not need to ask why.

Mr Bacon: Does not the hon. Gentleman understand that the word “affordable” is deeply tendentious—deeply laden? The reason things are not affordable is that there is not enough supply. Fix the supply, and we fix the affordability. It is perfectly possible to have exception sites for mutual housing co-operatives, or for self-build, which could be done on a large scale. Some 50% or 60% of housing is done that way in big countries such as Germany and France, and it could be done here. All it needs is a bit of imagination.

Tim Farron: The hon. Gentleman preaches to the converted. It is about supply and demand, but it is not as simple as that. House prices have tripled or quadrupled over the past generations while incomes have not, so it cannot be merely about supply and demand: we need to do something else as well. That is why it is wise to be involved in the marketplace in a way that does not just allow the market to rule. If we are to go through a process of setting up new starter homes, which the Government may build themselves according to the Chancellor's statement earlier this week—I would welcome that—we have to recognise that unless we put restrictions on the value of those homes we will simply kick the problem five years down the road.

Christian Matheson (City of Chester) (Lab): Has the hon. Gentleman considered the possibility that, if housing and planning policy is ideologically left to developers, they will have a natural tendency to build more expensive properties, for which they will get more money? I do not blame the developers for that, but that would be the consequence of leaving it to be determined by their needs.

Tim Farron: The hon. Gentleman makes a fine and correct point. I do not blame the developers, either. In a market situation, they sell what they can at the price they can get. In my community, one in seven homes are not lived in. I am talking not about holiday lets, but about second homes bought by people away from the area who earn significant incomes and can afford to buy several properties as investments or boltholes, and good luck to them. In such a marketplace, it is blindingly obvious that there needs to be intervention. That is why there is a role for social rented housing and why our amendment to improve the Government's starter homes proposals is completely wise.

Mr Stewart Jackson (Peterborough) (Con): I say gently to the hon. Gentleman that it was regrettable that the Liberal Democrats did not provide anyone to sit on the Bill Committee. He may need to review that. He probably views policy through the prism of South Lakeland, which I would have thought is a unique place in the north-west of England. The information we were given by expert witnesses was that the cumulative impact of the Bill would be to deliver a larger number of affordable homes. We received no evidence whatsoever that the new starter homes would not be affordable to people on average incomes on the line between the Bristol channel and the Wash.

Tim Farron: If I thought there was no merit whatsoever in the proposal, I would have tabled an amendment to scrap it altogether. The point, however, is that in different parts of the country, including in the north of England—not just Cumbria, but Northumberland and parts of the Yorkshire dales—in the west country and in London, which are significant proportions of the country, the homes are unlikely to be affordable to anybody on anything like an average wage. They may be affordable in other parts of the country, in which case the Government have nothing to fear from accepting my amendment.

In moving towards a conclusion, I am genuinely deeply concerned about the effect this Bill will have not just on those areas I have mentioned, but on others as well, particularly with regard to right to buy.

Oliver Colville *rose—*

Tim Farron: I would like to move on for other people's sake, but I am happy to give way.

Oliver Colville: Surely this is about making sure that we fulfil aspiration, because what a large number of people actually want to do is to own their own homes.

Tim Farron: Indeed, and I have a great aspiration for the 1.6 million people in this country who are rotting on a social housing waiting list, and that number will grow larger as the years go on. I want to bring down house prices so that they are affordable to people, but this is a displacement proposal that will help better-off private renters and will not help a much larger number of people who are in a much worse situation.

Simon Hoare: Conservative Members would be very interested to hear the hon. Gentleman answer his own question. He told the House a moment ago that it is not solely—I think that was the phrase he used—supply and demand that affect the price of a house. What other things does he think add to it?

Tim Farron: I have already given my view on that—it is blindingly obvious, really. Supply and demand play a significant and critical part, which is one of the reasons I am very proud that my council in South Lakeland has already built 1,000 affordable homes and has plans to build another 5,000. Why do things other than supply and demand have an impact? The answer is that property is a clear investment and people with enough money will buy more than one. Indeed, my constituency is strewn with such properties.

In conclusion, my worry is that in 10 years' time, the housing crisis will be even worse, with thousands of affordable homes having been sold off, some converted to buy-to-let properties and very few replaced, at the same time as waiting lists for homes soar and homelessness rises. Poor housing is a barrier to success in life, and that impacts not only on individuals, but on communities and wider society. That is why it is essential for families across Britain—and, indeed, for our economic ambitions as a country—that we ensure that everyone has a decent and affordable place to live in.

It is often said in polite society that the most stressful thing in life is moving home, because of the insecurity, the uncertainty and the cost. Well, welcome to the reality of everyday life for millions of people in Britain who do not, and cannot aspire to, own their own home. Millions of families live with the financial, psychological and emotional burdens that inadequate, insecure and unaffordable housing brings. The Bill deliberately misses the opportunity to help those people in order to settle old ideological scores and ride some pretty rosey old hobby horses. Doing nothing in the face of this housing crisis would be bad enough, but by actively promoting a Bill that will make the crisis worse, the Government are ensuring that their legacy will be scorned by the future generations that the Bill betrays.

10 pm

Mr Gary Streeter (South West Devon) (Con): I shall be mercifully brief. I have great respect for the hon. Member for Westmorland and Lonsdale (Tim Farron), but I do not agree with his analysis of the Bill.

Clause 3(1) states:

“An English planning authority must carry out its relevant planning functions with a view to promoting the supply of starter homes in England.”

I rise to support amendment 1, which I tabled and which has support throughout the House. After the words “starter homes”, it would add

“or alternative affordable home ownership products, such as rent to buy”.

I have been involved in social housing since 1989, when I was the chairman of Plymouth City Council’s housing committee. Even then we had policies on hedgehogs in Plymouth. The harsh reality is that under any colour of Government and any kind of council, there has always been more demand for social affordable housing to rent than there has been supply. That continues today and will probably always be with us. It is our obligation, in every generation, to do our best to meet that demand and provide good quality social affordable housing to rent for the many people who require it.

We face a new crisis in this country today that is completely different from what we faced when I was involved in housing back in the 1980s. It is the crisis of home ownership and the inability of many younger people to own their own homes. We know that 85% of people still aspire to do so. I bought my first house when I was 23. The average age of a first-time buyer is now 38. This is a genuine crisis—generation rent—and the Government have my support in seeking to tackle it by supplying more affordable homes to buy.

I strongly support the big push by the Government to build more homes, especially starter homes with a 20% discount. I also support the challenging targets the Government have set themselves to meet that need throughout the Parliament. I agree that planning authorities should promote the supply of starter homes, although I argue strongly—this is the thrust of my amendment—that the Bill should refer to starter homes and other rent to buy products as well. That would help us to move towards the goal that we all want to reach: more young people owning their own homes.

Mr Prisk: I strongly support my hon. Friend’s two amendments, which relate to the same point. Does he agree that the crucial point is that his amendments would not only help the Government to deliver the additional homes we all want to see, but widen the pathways towards that end?

Mr Streeter: My hon. Friend puts the case much more eloquently than I ever could. Indeed, he used the favourite word of the moment: pathway. We heard it a lot earlier this afternoon and it is a very commendable word. I agree entirely with him.

The point of the schemes that I am promoting is not that they give an option to buy, nor that that there is a wish or aspiration that the incoming tenant will perhaps buy one day. The whole basis on which the schemes are set up is that the incoming tenant or occupant of the property will buy it and, within five, 10, 15 or 20 years, will be a homeowner. These products help to fulfil the aspirations of people who cannot get there right now and help the Government to meet their targets over a period of time. As far as I am concerned, they are a win-win.

There are new rent to buy products on the market. Rentplus has its headquarters in Plymouth, which is why my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colville) and I support it so strongly. It has brought forward a product that has attracted a lot of private investment. It is interested in setting up schemes that attract people in bands C and D on the housing needs register. We know from our constituency surgeries that people in bands C or D do not often get the house that they go for. This product is helping people who are on the homeless register to rent their property to begin with, but to agree at the outset—here is the beauty of the scheme—that within five, 10, 15 or 20 years—whatever they think they can manage—they will buy that property. They are gifted a 10% deposit by the scheme to make that purchase possible. It is a very innovative scheme and the kind of product I am sure the Government would want to promote.

Mr Jackson: Like me, my hon. Friend will support localism. However, it is currently within the gift of a local planning authority to introduce a local plan or county structure plan, or the capacity to develop staircasing or intermediate tenure. With all due respect, the amendment is slightly onerous.

Mr Streeter: I do not agree because it is important that these schemes are given the kind of Government backing that the amendment would ensure. Developers will not need to negotiate and explain their case to every individual planning authority, because they will know that they have the backing of someone as significant as the Housing Minister. If that wording is included in the Bill it will give those schemes a flying start and help us to meet the Government’s challenging targets.

In conclusion, I believe that this amendment is a win-win, and I hope the Minister will think seriously about adding it to the Bill. If that cannot be done on Report, I hope that serious thought will be given to including it in another place. I do not see a downside to this; I see only more young people meeting their aspirations to own their own home in our country in years to come.

Dr Roberta Blackman-Woods (City of Durham) (Lab): I rise to speak to amendments 31 to 35, 37 to 39, 40 to 45 and 46, although given the time available, it is most unlikely that I will get to speak to them all. I start by welcoming new clauses 1 and 2. They seem to be sensible measures and I hope the Minister will take them on board.

Amendment 31 would

“change the purpose of the Bill to one that would enable the supply of more housing across all tenures rather than just starter homes.”

As we argued continually and strongly in Committee, the Bill is a huge waste of an opportunity to get the housing that we so desperately need across all tenures to solve our housing crisis. The Government have so far dismissed evidence from charities such as Shelter, which has said that these measures are unwise, but perhaps they will take note of *The Economist*, which argued that this policy would have “unhappy distributional consequences”, and fewer homes to rent for low-income families—the same families who cannot afford the deposit on so-called starter homes. As a result,

“poor households may find it even harder to find a place in Britain’s affordable housing market.”

Chris Philp (Croydon South) (Con): Does the hon. Lady agree that the starter home discount, combined with Help to Buy, which requires only a 5% deposit, makes starter homes extremely affordable to almost everybody?

Dr Blackman-Woods: As the hon. Gentleman will know because he sat through the Committee stage, evidence from Shelter suggests that starter homes will be unaffordable to people on low incomes in 98% of the country, and unaffordable to those on middle incomes in 58% of the country. For that reason we think that local authorities should have more flexibility to deliver other forms of affordable housing alongside starter homes.

Ms Karen Buck (Westminster North) (Lab): On affordability, does my hon. Friend agree that in places such as London where starter homes will be priced at £450,000 if the market value before discount is £560,000—[HON. MEMBERS: “Up to £450,000!”] In central London it is inconceivable that many, if any, of those properties will cost under £450,000. Someone would need a household income higher than that of a Member of Parliament to afford one.

Dr Blackman-Woods: My hon. Friend makes an excellent point that we reiterated again and again in Committee, but alas the Minister took no notice.

These concerns are spread across all parties and are reflected in the amendments tabled by the hon. Members for Westmorland and Lonsdale (Tim Farron), for South West Devon (Mr Streeter) and for Brighton, Pavilion (Caroline Lucas). We broadly support those amendments, as they very much back up the arguments we made in Committee.

In Committee, we attempted to point out very clearly to the Government that we need to build houses across all tenures if we are to address the housing crisis. The largest number of houses we built recently was the 214,000 houses built in 2006-07, but that compared unfavourably with 1969 when 357,000 houses were built. What that demonstrates is that if we are to get something like the 250,000 homes we need, about half of them should be delivered by the public sector. However, there are simply no measures in the Bill to produce those much needed public sector homes. That is why we have tabled amendment 31 on Report.

Amendment 32 seeks to ensure that additional housing is supported with adequate infrastructure. This is a really important amendment.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): Before my hon. Friend moves on to the substance of her remarks on amendment 32, she will remember that on amendment 31 one of the few chinks of light in Ministers' otherwise disappointing responses to our amendments was on housing co-operatives. Does she not think that tonight, in the Minister's wind-up to this group of amendments, there might be an opportunity for him to update us on the progress he has made on offering local authorities useful guidance on how more mutual co-operative housing stock can be built?

Dr Blackman-Woods: My hon. Friend makes an excellent point, one I hope that the Minister listens to and responds to this evening.

Mr Bacon: Does the hon. Lady not think that the Labour and Co-operative party ought to be able to furnish advice without help from Her Majesty's Government? Why has it not been doing that?

Dr Blackman-Woods: The hon. Gentleman is being uncharacteristically unfair. Many Labour Members argued strongly for more co-operative housing. In fact, I am sure the hon. Gentleman is very well aware that we had a whole section on the Lyons review that addressed this very topic. I think we are doing our bit.

Amendment 32 is really important. Indeed, the Minister himself acknowledged on a number of occasions that not only do we need homes as places to live in, but that they need to be built in communities that people want to live in. New homes have to be supported with the right infrastructure so that those who rent or purchase them have access to good quality healthcare, schools, further and higher education, transport links, employment and so on. It would be very useful to hear from the Minister this evening what he intends to do to address the concerns raised by a number of local authorities, including Milton Keynes, which pointed out that, because of the lack of community infrastructure levy applied to starter homes, there is a very real risk there will not be enough money available to support the infrastructure that is needed.

Amendment 33 would ensure that starter homes are affordable at locally determined rates of income and on a multiple of median incomes within the local area, rather than set centrally, which puts the homes out of the reach of many people, as my hon. Friend the Member for Westminster North (Ms Buck) said. Homes that are priced at £250,000 outside London or £450,000 in London are simply unaffordable for too many people.

Amendment 34 seeks to exclude buy to let property from the definition of a starter home. In Committee, we thought this was a really, really important issue to address. We assumed the Government's intention is for these to be starter homes for people and not starter homes for landlords. In Committee, we did not get the assurances we sought from the Minister. This is a straightforward amendment, and we would like to hear how he intends to give us the reassurances he indicated in Committee he would. At the moment, nothing has come forward.

10.15 pm

Amendment 35 would limit the provision of starter homes to exception sites, as previously announced by the Government. In Committee, we sought to elicit from them an explanation of why their policy on starter homes changed so drastically between March and May last year, but we did not get a satisfactory response about why they had gone from being available only on exception sites to being available on almost all sites. It would be good to have an update from the Minister on that point.

Amendment 37 would ensure that a proportion of starter homes are available to local people, which, in Committee, we thought was a really important issue. We all know that one reason local people sometimes object to new housing is that they think it is not for people like them and their families. We would like some priority to be given to helping people get on the housing ladder locally. Amendment 38 asks that the price cap,

currently set at £250,000 and £450,000, could be amended only after consultation with relevant local authorities and the Mayor of London. We were terribly concerned, at several points in Committee, that the Bill transferred huge powers to the Secretary of State and contained exceptionally centralising measures. There are a number of them, but we thought his having the ability to alter the price cap without consulting anybody was totally unreasonable. The amendment simply asks that the price cap can be altered only if the relevant local authorities and—in London—the Mayor of London are consulted.

Amendment 39, another extremely important amendment, asks that the discount on starter homes remain in perpetuity. In Committee, we asked the Minister why he had rejected the outcome of his own consultation exercise on starter homes and why the discounts were not being applied in perpetuity. The Government's plan for starter homes is that they could be resold or let at open market value after the initial sale. The majority of respondents to the consultation elected for an in-perpetuity discount: 75% of local authorities, 100% of lenders and 50% of developers thought for all sorts of reasons—not least because it is hard to price a product that is going to change like this one will under the current provisions—that there should be an in-perpetuity discount. It would be good to hear why he does not accept that. We feel very strongly about this, so, depending on his response, we might press the amendment to a Division.

Mr Prisk: What estimate has the hon. Lady made of the loss in the number of homes built? If the price is capped and the discount extended into perpetuity, it will almost certainly increase the unit cost, which will mean fewer homes. How many fewer homes would she be happy to see built?

Dr Blackman-Woods: I do not accept the hon. Gentleman's logic. The new starter homes would be coming up for resale, as well as the additional starter homes still being built, so I am not quite sure of his logic.

Amendment 40 would ensure that local authorities can ask for planning gain measures providing for a range of affordable homes, rather than just starter homes.

Amendment 41 suggests that the Government should really ask local authorities to provide a full assessment of housing need in the area and then deliver the number of homes that meet that housing need, rather than prioritising starter homes above all other types of affordable housing. It does not seem to us that the Government are proposing a sensible measure here, and again we need to hear from the Minister why he is moving away from the NPPS requirement to ensure a full assessment of housing need locally and subsequently that local authorities plan to meet it rather than go off at a particular tangent.

Amendment 42 is designed to secure an exemption from the requirement “to promote starter homes” where a site has a scheme that is either a “build to rent” scheme or one that contains some other sort of

“supported housing for younger people, older people, people with special needs and people with disabilities”,

for example—or otherwise one that contains a “homeless hostel”, “refuge accommodation” or “specialist housing”. This is another very important amendment because we

feel these sites could be exempted from the requirement to promote starter homes on the grounds that they already delivering a scheme that brings about enormous community benefits.

Amendment 43 asks for information about starter homes to be displayed on a local authority's website and updated annually. It should also be put in the context of all other types of housing being built in an area. To provide an example, there might be 640 starter homes produced in an area, but how many affordable homes that are social homes for rent might actually have been built? We think that people need a full range of information about the type of housing and the applicable tenure in order to make sense of starter home information.

Amendment 44 is designed to ensure that the land set aside for starter homes

“is not needed for employment, retail, leisure, industrial or distribution use.”

It is important for ensuring that starter homes do not crowd out other forms of development.

Amendment 45 would remove clause 6 from the Bill, as we think it is an imposition on local authorities, which takes away important community rights to have a say about what is happening in an area, while amendment 46 would ensure that in moving to promote self-build, the cost of servicing plots is not unreasonable for local authorities.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I need to bring in another four speakers before bringing in the Minister at 10.37 pm.

Mr Jackson: It is always a pleasure to follow the hon. Member for City of Durham (Dr Blackman-Woods) and lovely to hear her dulcet tones, which brought back flashbacks of 17 sittings looking in detail at the 145 clauses and 11 schedules of the Bill. As I say, it is lovely to see her in her place and not having been subject to the night of the long knives as a result of the Labour reshuffle, if indeed the reshuffle is concluded, as someone suggested on Twitter, by 4 o'clock tomorrow—

Mr Deputy Speaker: I am sure you do, Mr Jackson, but I can assure you that I do not want to hear the history of the reshuffle. Come on, we could be here all night!

Mr Jackson: It was longer than one of Britney Spears's marriages—that is what I wanted to say, Mr Deputy Speaker.

What was depressing about our Committee sittings was the conservative nature of the debate and the stasis of what we got from the Labour party, which did not move on. If there is a housing crisis, we need to find radical ways forward to deal with it. It is not as if we are leaving it simply to the private sector. This week's announcement of the building of 13,000 units on public sector land provides an example of where we are using the might of Government to work with the private sector to deliver. To appreciate that, one needs to look only at Help to Buy, Help to Buy ISAs and other Government initiatives to help small and medium-sized builders, for instance.

[Mr Jackson]

The fact is that we have a mandate for starter homes. The hon. Member for City of Durham asked what changed between March and May. With all due respect, let me tell her that we won the general election and her party lost it. We have a mandate to deliver starter homes, and the hon. Lady does not do justice to the wider issues in housing, planning and development. She fails to take into account some pertinent issues. When in power, her Government failed to deliver infrastructure planning properly. We had housing information packs and we had eco-cities. All those things failed. We had density targets. We had regional spatial strategies, which were a disaster and did not deliver homes. Under that Government, the smallest number of homes were built since 1923, there was the largest increase in young people in temporary accommodation and housing waiting lists increased massively.

Dr Blackman-Woods: The hon. Gentleman needs to accept that we built 2 million more homes.

Mr Jackson: It says something about their priorities that, in five years, the previous Government built more local authority houses than the hon. Lady's Government did in 13 years, with a much more benign financial regime. She fails to take into account how difficult brownfield remediation is and that about a third of local planning authorities do not have a local plan in place, despite the Government's encouragement—the local plans have not gone through the inspection process. It is not either/or. Starter homes are a radical boost to ensure that more young people in work who need homes and are languishing in band 4 and band 5 council housing and housing association lists get the opportunity.

If a local authority has produced a decent plan—a structure plan or a deposited local plan—it will, as I said to my hon. Friend the Member for South West Devon (Mr Streeter), be in a position to effectively put in place intermediate housing and social rent provision working with registered providers. We are not in the business of squeezing that out. It is up to local authorities to do that.

The point made by my hon. Friend the Member for South Ribble (Seema Kennedy) was right. We are not here to discuss the London housing Bill. This is about the whole of the country. In fact, this is a historic Bill because I think it is the first Bill that is subject to EVEL, so we did not have the dulcet tones of our Caledonian friends helping us on the Committee or on Second Reading.

The starter homes policy is about delivering homes to people who need them. If the hon. Member for City of Durham remembers, when the expert witnesses were challenged in Committee, they could not produce the figures, either on the day or afterwards, that showed definitively, beyond any reasonable doubt, that, from the Bristol channel to the Wash, in Chorley—Mr Deputy Speaker's seat—in Leyland, in most parts of Lancashire, in Yorkshire and Humberside and in the east and west midlands, for most people on an average income—I accept that there is a difference with the national minimum wage and that the city of Durham is perhaps a different example—the homes would be affordable. Conservative Members on the Committee were not indulging, as the

hon. Member for Westmorland and Lonsdale (Tim Farron) said, in some ideological pursuit. We were looking at the evidence brought before us. The evidence did not demonstrate, with all due respect, the hon. Lady's position.

This is a radical Bill. I was disappointed by the lack of coherent, cogent alternatives from Her Majesty's Opposition. May I end on a slightly cheeky note? I listened with interest to the hon. Lady's plaintive cry that she was badly treated by the programme motion. My understanding is that the usual channels came to an agreement but, because of the incompetence of Her Majesty's Opposition, they truncated or elongated various new clauses because they had forgotten to table the appropriate amendments. That is why they had to pad it out—which I am obviously not doing.

This is an excellent, radical Bill. It will deliver. It will complement other forms of tenure. We won the election. We have a mandate. I look forward to many more starter homes in my constituency and others throughout the country to give young people in particular the start in life that they deserve in the property-owning democracy that we should be building.

Mr Clive Betts (Sheffield South East) (Lab): I want to raise three concerns about the Government's proposals on starter homes. Obviously it is right, given the aspirations of many people to own their own home who currently cannot afford to, that we should look seriously at measures that enable that to happen. What we should be concerned about is whether those measures are good value for the taxpayer and have any unintended consequences. If it is such a good idea to help people on to the housing ladder, why do we not help the next group of people on to it by ensuring that the discount, or assistance, continues in perpetuity?

10.30 pm

I visited a Pocket development the other day. Pocket is an organisation that provides homes for people who could not afford to buy them at market prices. It insists that when the homes are resold, they are bought by people on certain income levels, so that the reduced price is passed on to the next generation of home buyers. That means that there is extra value for taxpayers' money, because the people who purchase the properties the second time around benefit as well. Why do the Government not consider introducing what strikes me as a very sensible, and radical, arrangement?

Conservative Members suggest that starter homes will be additional, but in fact they will replace homes that would otherwise have been built under section 106. A quarter of a million section 106 homes have been built in the last 10 years, mainly for housing associations: affordable housing, and social housing to rent. Developers will not build starter homes in addition to the rented homes that would have been built under section 106. If Ministers disagree with that, let them come forward and say so. I believe that local authorities should be allowed to assess the housing need in their areas and reach an agreement with developers about the sort of houses that should be built under section 106, whether they be starter homes, homes for shared ownership, homes to rent or co-operatives.

I agree with what Members have said about supply and demand. If no more homes are built than would have been built under section 106 but extra money goes

into house purchasing, as is demanded by this starter home measure, the amount of money available to purchase homes will increase and the supply of homes will not. There is only one conclusion to be reached: house prices could eventually be driven up further. Members must seriously consider that conclusion. It would be helpful to know what the Government really think, but they have not produced an impact assessment.

Mr Bacon: I have a great deal of respect for the hon. Gentleman, who talks a lot of sense a lot of the time, but he is now suggesting that only a small number of developers can affect the situation. Does he not understand the central problem, which is that most ordinary people cannot make the decision to bring forward their own projects? If that changed, developers would find that people had other genuine choices. There is a reason why 75% of people do not want to buy the products of volume house builders.

Mr Betts: I agree, but I do not think that that is the issue in this instance, because by and large starter homes will be produced by volume house builders.

These homes will be built instead of other housing, and the Government are almost ignoring the right of local authorities to have an influence on the assessment of housing need. When the Minister appeared before the Select Committee, he said that it would be up to developers and local authorities to negotiate deals, including deals on starter homes, on the basis of individual sites and planning applications. How can that fit into a framework in which the Government have a target—I think it is a target rather than an aspiration; no doubt the Minister will tell us whether that is the case—of 200,000 starter homes? If the Government have a target, they will have to use their powers of direction to ensure that local authorities deliver starter homes on each site that will add up to the 200,000 total. In other words, they will override the rights of local authorities to assess housing need in their areas and arrive at the best deal on each site, so that the best possible balance of housing is available. Starter homes will simply push out the other houses for rent that local people really need.

Chris Philp: Thank you for calling me at this late hour, Mr Deputy Speaker. I draw the House's attention to my entry in the Register of Members' Financial Interests.

I support the Bill's emphasis on starter homes, and the corollary of that is that I oppose some of the amendments that dilute that emphasis, particularly amendments 40, 110 and 33. I believe that owner-occupiers on low incomes need all the help that they can get to get on to the housing ladder, and the starter home provisions will provide exactly that.

I was alarmed to note that between 2007 and 2013, the most recent period for which figures are available, the number of owner-occupiers in the country fell by half a million, and the proportion fell from 68% to 63%. The provisions in this Bill are designed to arrest that decline, and it is right that they do so. My hon. Friend the Member for Peterborough (Mr Jackson) referred in his closing remarks to the merits of a property-owning democracy, and we know that 86% of the public aspire to own their own home. There is no greater

service we in this House can do tonight than help those 86% of our constituents realise their dream of owning their own home, and this Bill does that.

On the questions raised by the hon. Member for City of Durham (Dr Blackman-Woods) about affordability, I would make the following observations. First, starter homes by definition are 20% more affordable than current homes for sale, and that is a welcome step in the right direction; it is clearly an improvement on where we are today. She referred to deposits, too. The Government's Help to Buy scheme allows people to borrow up to 95% of a property's value. Even in London, even if the price is the maximum the deposit is only £22,500, and outside London it is only a £12,500 deposit. These are maximum figures; I expect many starter homes will be below these maximum figures and will be extremely affordable.

Catherine West (Hornsey and Wood Green) (Lab): Is the hon. Gentleman aware that in certain constituencies, including mine, Help to Buy has helped as few as one household? When I last looked, one household in Hornsey and Wood Green had been assisted in May this year.

Chris Philp: Most first-time buyer households have two people's incomes contributing, which improves the affordability.

On the specific question raised by the hon. Member for City of Durham on amendment 34 about preventing buy-to-let investors, clause 2(1)(b) says starter homes will apply only to "qualifying first-time buyers", which is very clear.

In summary, I strongly support the starter homes concept and the concept of a property-owning democracy, and I support the 86% of our constituents who want to buy their own home.

The Minister for Housing and Planning (Brandon Lewis): We have had an extensive discussion both in Committee and tonight, and I look forward to rest of tonight's debate, not least as it might allow us to see if the current shadow Front Bench is still the shadow Front Bench by the time we finish.

We have had extensive discussion on the Opposition amendments on starter homes, particularly in relation to clause 1, and the hon. Member for City of Durham (Dr Blackman-Woods) has returned to that today, repeating points made in some of our previous debates. Since we discussed these clauses in Committee, our spending review has doubled our investment in affordable housing. The Prime Minister announced just yesterday that £1.2 billion of our starter homes funding will in the first instance support further brownfield site preparation, and that builds on the £36 million made available late last year.

Clause 1 sets out our position clearly—our manifesto commitment being delivered to build 200,000 starter homes. Clause 1 includes a clear definition to be applied nationally, and I hope the House will agree that we should not water it down through the proposed amendments. We strongly believe that new housing developments need to be supported by improvements in local infrastructure—this particularly covers amendment 32. Starter homes reforms do not change this. Starter home developments will still be required to have section 106 agreements to provide necessary site-specific infrastructure.

[*Brandon Lewis*]

Turning to amendments 33, 34, 35, 37, 38 and 39, we need to be clear that these would remove the real benefits starter homes offer to young people—the very people we are looking to help. So I maintain that our model, as defined in clause 2, should stand to define our product clearly and support national delivery.

The hon. Member for City of Durham referred to amendment 39. I made it clear in Committee—Members can read what was said in Committee—that the regulations will specify that post-sale restrictions on sale and letting will exist and there is likely to be a period of five years before a starter home can be sold or let at open market value. I defend the right of any homeowner to have the same rights as any other homeowner to treat their home properly. If someone can never realise more than 80% of the value of their property, they lose the ability to move upwards in the housing market. This risks stagnation, rather than mobility. I want to incentivise young people and families to move onwards and upwards, and our model will enable families to do just that.

Turning to amendments tabled by my hon. Friend the Member for South West Devon (Mr Streeter), the hon. Member for Westmorland and Lonsdale (Tim Farron) and the right hon. Member for Wentworth and Dearne (John Healey), I want it to be absolutely clear that the Government strongly support the need for a range of products to improve access to homeownership, and other products can perform a valuable function, too. It is for councils to consider whether these products should form part of their affordable housing ask on any given housing site. The clause will not prevent such developments from coming forward; nor will it prevent councils from securing other forms of affordable housing.

We are also introducing flexibilities in the Bill to encourage councils to build their own affordable housing. Let us be clear: 2014 saw the highest level of council housing starts for 23 years. However, we make no apology for prioritising support for low-cost home ownership and for making sure that we do what we can to get young people on to the housing ladder, rewarding their hard work and ambition.

I note the support for rent to buy, which is a product that we in the Government have supported as well. We will continue to focus on it, but at this stage I do not want to dilute our clear focus on delivering starter homes for first-time buyers. I accept that the need will vary across the country, which brings me to amendment 41. We need to be able to provide more starter homes across the country, and the outcome of our consultation will involve setting different requirements in different areas. However, I want to wait for the outcome of the consultation before I make any final decisions.

As I said in Committee, amendment 42 is unnecessary. Again, our consultation will seek views on the type of site that should be exempt from the duty, and I believe that it is right to await the outcome of that consultation. We will then publish a full range of exemptions. On Amendment 43, much of the information that the amendment proposes to have included is already reported. I want to reassure Members that we will consult on the proposed regulations relating to clause 5, and this will include details of the proposed monitoring reports.

On amendments 44 and 46, we are now in a position in which we can no longer afford to hold on to employment land indefinitely if it is not in productive use. I expect

local authorities to continue to examine applications relating to exemption sites with the same rigour with which they examine other applications. I am therefore not persuaded that either of the amendments is required. If land is in active use, or if there is robust evidence that it could soon be in productive use for employment uses, a council will be free to consider it as part of the planning process.

Turning to amendment 45, I want to reassure Members that it is our firm intention that any compliance direction should be a backstop provision. We expect that provision to be used only rarely, but it will be an incentive to ensure that we do our bit to deliver these new starter homes for first-time buyers.

Mr Betts: On that point about direction, will the Minister tell me what freedom local authorities will have to assess housing need in their areas if they decide that, on balance, they need to provide more rented or shared ownership homes as part of a package relating to a section 106 agreement on a particular site?

Brandon Lewis: Obviously, local authorities can build more council houses. I would encourage them to use the headroom that they already have to build more social housing themselves, but they will continue to have the ability to negotiate with developers in relation to section 106, just as they do now.

On new clause 2, it is clearly important that we build new developments that can stand the test of time, just as our Victorian and other predecessors did before us. I do not believe that the new clause is necessary, however. We already have strong, clear policies on resilience, sustainability and design in the national planning policy framework, supported by building regulations. The new clause would impose additional and unnecessary burdens. I say this in the light of the fact that in more than 96% of the cases in which the Environment Agency has raised objections, those objections have been fully heeded in the final planning decisions. It is absolutely right that local authorities should take good account of the advice given by the agency on developments in flood risk areas.

John Mann (Bassetlaw) (Lab): Would the Minister consider a new classification of floodplains within the development framework, to allow an additional specification for local authorities? I am prepared to reshuffle to the Tea Room to discuss this matter further if he would like to join me.

Brandon Lewis: I am always happy to discuss all things with the hon. Gentleman, but I am not going to be tempted into making changes like that here tonight. He is right, however, to suggest that councils listen to the advice given by the Environment Agency, and it is good to know that 99% of proposed new homes involved in planning outcomes have been in line with the agency's advice.

My right hon. Friend the Member for Basingstoke (Mrs Miller) opened the debate with a discussion on new clause 1. I am pleased to be the first to say that it is already a requirement that starter homes should be subject to compliance with the relevant requirements of the building regulations, as are all new buildings and all major alterations to existing ones. I note that she and other Members have been raising issues to make it clear that they want to ensure that these regulations are

strong enough and are abided by. I believe that her proposed subsection 2(b) is not needed, because of the codes already in place. However, she and others have raised the issue of the availability of site inspection records, which is also an important issue. As a result of her representations, we have asked the Building Control Performance Standards Advisory Group to look at making inspection records available on request to building owners and prospective owners. It will report back to us with suggested amendments in February, and I of course look forward to hearing her contribute on that.

Work is also being done by the all-party group for excellence in the built environment, which I know is looking at a range of issues in this area. I look forward to receiving its report, as we will be able to review what comes out of it in order to consider whether any strengthening of the guidance is needed going forward.

We have had an interesting debate on this group but, for the reasons given, I hope that my right hon. Friend and others who have tabled proposals will not feel the need to press them to a Division.

10.45 pm

Mrs Miller: Getting rid of the current house building quality lottery is absolutely non-negotiable, but I can hear that the Minister has listened to the argument and am delighted with his announcement that he will be looking at ways in which those quality records can be made available to house buyers, so that they can see at first hand exactly how their house has been built. That is real progress and with that, although I shall be watching carefully for the details of what he is proposing, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 2

WHAT IS A STARTER HOME?

Amendment proposed: 39, page 2, line 25, at end insert—

‘(8A) The restrictions on resales and letting at open market value relating to first time buyer starter homes must be in perpetuity.’—(*Dr Blackman-Woods.*)

The amendment would require the discount to remain in perpetuity.

Question put, That the amendment be made.

The House divided: Ayes 194, Noes 301.

Division No. 154]

[10.46 pm

AYES

Abbott, Ms Diane	Bradshaw, rh Mr Ben
Abrahams, Debbie	Brake, rh Tom
Alexander, Heidi	Brennan, Kevin
Ali, Rushanara	Bryant, Chris
Anderson, Mr David	Buck, Ms Karen
Ashworth, Jonathan	Burden, Richard
Austin, Ian	Burgon, Richard
Bailey, Mr Adrian	Burnham, rh Andy
Barron, rh Kevin	Butler, Dawn
Beckett, rh Margaret	Byrne, rh Liam
Benn, rh Hilary	Cadbury, Ruth
Berger, Luciana	Campbell, rh Mr Alan
Betts, Mr Clive	Campbell, Mr Ronnie
Blackman-Woods, Dr Roberta	Carmichael, rh Mr Alistair
Blenkinsop, Tom	Chapman, Jenny
Blomfield, Paul	Clegg, rh Mr Nick

Corbyn, rh Jeremy	Lewell-Buck, Mrs Emma
Coyle, Neil	Lewis, Clive
Crausby, Mr David	Lewis, Mr Ivan
Creasy, Stella	Long Bailey, Rebecca
Cummins, Judith	Lucas, Caroline
Cunningham, Alex	Lucas, Ian C.
Cunningham, Mr Jim	Lynch, Holly
Dakin, Nic	Mactaggart, rh Fiona
Danczuk, Simon	Madders, Justin
David, Wayne	Mahmood, Mr Khalid
Davies, Geraint	Mahmood, Shabana
Donaldson, rh Mr Jeffrey M.	Malhotra, Seema
Doughty, Stephen	Mann, John
Dowd, Jim	Marris, Rob
Dowd, Peter	Marsden, Mr Gordon
Durkan, Mark	Maskell, Rachael
Edwards, Jonathan	Matheson, Christian
Efford, Clive	McCabe, Steve
Elliott, Julie	McDonagh, Siobhain
Elliott, Tom	McDonald, Andy
Ellman, Mrs Louise	McDonnell, John
Esterson, Bill	McFadden, rh Mr Pat
Evans, Chris	McGinn, Conor
Farrelly, Paul	McGovern, Alison
Farron, Tim	McInnes, Liz
Field, rh Frank	McKinnell, Catherine
Fitzpatrick, Jim	McMahon, Jim
Flelo, Robert	Moon, Mrs Madeleine
Fletcher, Colleen	Morden, Jessica
Flynn, Paul	Morris, Grahame M.
Fovargue, Yvonne	Mulholland, Greg
Gardiner, Barry	Murray, Ian
Glindon, Mary	Onn, Melanie
Goodman, Helen	Osamor, Kate
Green, Kate	Owen, Albert
Greenwood, Lilian	Pearce, Teresa
Griffith, Nia	Pennycook, Matthew
Gwynne, Andrew	Perkins, Toby
Haigh, Louise	Phillips, Jess
Hamilton, Fabian	Pound, Stephen
Hanson, rh Mr David	Powell, Lucy
Harpham, Harry	Pugh, John
Harris, Carolyn	Qureshi, Yasmin
Hayes, Helen	Rayner, Angela
Healey, rh John	Reed, Mr Jamie
Hendrick, Mr Mark	Reed, Mr Steve
Hepburn, Mr Stephen	Rees, Christina
Hermon, Lady	Reynolds, Emma
Hillier, Meg	Reynolds, Jonathan
Hodgson, Mrs Sharon	Rimmer, Marie
Hoey, Kate	Robinson, Mr Geoffrey
Hollern, Kate	Rotheram, Steve
Hopkins, Kelvin	Saville Roberts, Liz
Hunt, Tristram	Shah, Naz
Hussain, Imran	Shannon, Jim
Irranca-Davies, Huw	Sharma, Mr Virendra
Jarvis, Dan	Shuker, Mr Gavin
Johnson, rh Alan	Siddiq, Tulip
Johnson, Diana	Skinner, Mr Dennis
Jones, Gerald	Smeeth, Ruth
Jones, Graham	Smith, Angela
Jones, Mr Kevan	Smith, Cat
Jones, Susan Elan	Smith, Nick
Kane, Mike	Smith, Owen
Keeley, Barbara	Smyth, Karin
Kendall, Liz	Spellar, rh Mr John
Kinahan, Danny	Starmer, Keir
Kinnock, Stephen	Stevens, Jo
Kyle, Peter	Streeting, Wes
Lamb, rh Norman	Stringer, Graham
Lavery, Ian	Stuart, rh Ms Gisela
Leslie, Chris	Tami, Mark

Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Stephen
 Vaz, Valerie
 West, Catherine
 Whitehead, Dr Alan

Williams, Mr Mark
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:

**Sue Hayman and
 Jeff Smith**

NOES

Adams, Nigel
 Afriyie, Adam
 Allan, Lucy
 Allen, Heidi
 Amess, Sir David
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Bacon, Mr Richard
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Sir Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron

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

Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heappey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Liddington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw

Metcalf, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham

Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Mr Desmond
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin

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

Tellers for the Noes:
 Simon Kirby and
 Sarah Newton

Question accordingly negated.

10.58 pm

More than two hours having elapsed since the commencement of proceedings on the programme motion, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 3

GENERAL DUTY TO PROMOTE SUPPLY OF STARTER HOMES

Amendment proposed: 110, page 2, line 28, after “starter homes” insert

“and other types of affordable housing”.—(Tim Farron.)

This amendment would ensure that new developments include a range of affordable housing options, to rent and buy.

Question put, That the amendment be made.

The House divided: Ayes 190, Noes 304.

Division No. 155]

[10.59 pm

AYES

Abbott, Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Anderson, Mr David
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Barron, rh Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Blackman-Woods, Dr Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Bradshaw, rh Mr Ben
 Brennan, Kevin
 Bryant, Chris

Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Chapman, Jenny
 Clegg, rh Mr Nick
 Coyle, Neil
 Crausby, Mr David
 Creasy, Stella
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic

Danczuk, Simon
 David, Wayne
 Davies, Geraint
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Durkan, Mark
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Farron, Tim
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flynn, Paul
 Fovargue, Yvonne
 Gardiner, Barry
 Glindon, Mary
 Goodman, Helen
 Green, Kate
 Greenwood, Lilian
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Healey, rh John
 Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hopkins, Kelvin
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Keeley, Barbara
 Kendall, Liz
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lavery, Ian
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid

Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 McCabe, Steve
 McDonagh, Siobhain
 McDonald, Andy
 McDonnell, John
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McMahon, Jim
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Murray, Ian
 Onn, Melanie
 Osamor, Kate
 Owen, Albert
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Smeeth, Ruth
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Spellar, rh Mr John
 Starmer, Keir
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, rh Ms Gisela
 Tami, Mark
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Stephen
 Vaz, Valerie
 West, Catherine

Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John

Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:

**Tom Brake and
Sue Hayman**

NOES

Adams, Nigel
Afriyie, Adam
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims

Davies, Philip
Djanogly, Mr Jonathan
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heapey, James
Heaton-Harris, Chris

Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny

Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie

Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela

Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Simon Kirby and
 Sarah Newton

Question accordingly negated.

New Clause 6

REDUCING SOCIAL HOUSING REGULATION

‘Schedule (Reducing social housing regulation) contains amendments to reduce the regulation of social housing.’—
 (Mr Marcus Jones.)

This new Clause and NS1 make various amendments to reduce the regulation of social housing.

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones):
 I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss Government new schedule 1—*Reducing social housing regulation.*

Government amendments 4, 6 and 5.

Government new clause 7—*Recovery of social housing assistance: successors in title.*

Government new clause 8—*Housing administration order: providers of social housing in England.*

Government new clause 9—*Objective of housing administration.*

Government new clause 10—*Applications for housing administration orders.*

Government new clause 11—*Powers of court.*

Government new clause 12—*Housing administrators.*

Government new clause 13—*Conduct of administration etc.*

Government new clause 14—*Winding-up orders.*

Government new clause 15—*Voluntary winding up.*

Government new clause 16—*Making of ordinary administration orders.*

Government new clause 17—*Administrator appointments by creditors.*

Government new clause 18—*Enforcement of security.*

Government new clause 19—*Grants and loans where housing administration order is made.*

Government new clause 20—*Indemnities where housing administration order is made.*

Government new clause 21—*Indemnities: repayment by registered provider etc.*

Government new clause 22—*Guarantees where housing administration order is made.*

Government new clause 23—*Guarantees: repayment by registered provider etc.*

Government new clause 24—*Modification of this Chapter under the Enterprise Act 2002.*

Government new clause 25—*Registered societies: ordinary administration procedure etc.*

Government new clause 26—*Amendment to housing moratorium and consequential amendment.*

Government new clause 27—*Interpretation of Chapter.*

Government new clause 28—*Application of Part to Northern Ireland.*

Government new schedule 2—*Conduct of housing administration: companies.*

Government new schedule 3—*Amendments to housing moratorium and consequential amendments.*

Government amendment 7.

Government new clause 37.

New clause 5—*Provision of tenure information when collecting council tax information—*

‘(1) The Local Government Finance Act 1992 (LGFA 1992) is amended as follows—

(2) After Section 27 [Information about properties] of the LGFA 1992 insert—

“27A Information about tenure

(1) Whenever a billing authority requests council tax information from the resident, owner or managing agent of any dwelling, the authority must request the provision by that person of tenure information in respect of the dwelling unless—

(a) that person has already given that information to the authority, or

(b) the authority already holds that information.

(2) “Tenure information” means current information regarding—

(a) the category into which the dwelling falls; and

(b) if the dwelling is privately rented (but not otherwise), the name and address of the owner of the dwelling or, if this is not known, the name and address of—

(i) the managing agent, if any, or

(ii) recipient of the rent payable.

(3) A person who is subject to a request under subsection (1) must provide the information to the billing authority in such manner as the authority may request as soon as is practicable and in any event within 21 days of the making of the request, but only insofar as the information is in his possession or under his control.

(4) A request to a person to provide tenure information may be made by the billing authority by such means as the authority considers appropriate including a verbal request made by or on behalf of the authority.

(5) The billing authority must retain any tenure information which they hold in relation to any dwelling, however it was obtained, but the authority may destroy or delete that information after the expiry of 12 months from the date when that information is known to have ceased to be current.

(6) A request under subsection (1) must be accompanied by a warning that failure to comply may result in the imposition of a financial penalty.

(7) A request for the provision of tenure information may be made, and must be complied with, even though the authority requests the provision of that information for other purposes, including but not limited to housing purposes.

(8) A local authority may use tenure information supplied under this Act for any reasonable and lawful purpose within its duties and responsibilities.

(9) A person may be requested by a billing authority to supply information under any provision included in regulations under paragraphs 2, 3, 9 or 10(2) of Schedule 2 even though such a request is made for housing purposes.

(10) The LGFA 1992 is further amended as follows—

- (a) in paragraph 1(1) of Schedule 3 [penalties], after the words “any provisions”, insert the words “in section 27A or”;
- (b) in paragraph 1(2) of Schedule 3 [penalties], after the words “any provisions”, insert the words “in section 27A or”; and
- (c) in paragraph 1(1) of Schedule 4 [enforcement], after the words “any provision”, insert the words “in section 27A or”.

(11) The Housing Act 2004 is amended as follows, in paragraph (a) of section 237(1), after the word “premises”, insert the words “or for any other function which is exercisable by a housing authority”.

(12) No duty of confidentiality, contractual obligation, nor any provision of the Data Protection Act 1998 shall prevent the supply of tenure information under this section.””

This new Clause would require existing powers to collect information to be deployed consistently thus enabling local authorities to enforce regulations relating to the private rented sector more effectively to tackle a rogue minority of private landlords. It would also enable the size and shape of the private rented sector and property ownership to be assessed accurately for the first time for housing policy-making purposes.

New clause 55—Accreditation and licensing for private landlords—

Local authorities shall be required to operate an accreditation and licensing scheme for private landlords.”

This new Clause would require local authorities in England and Wales to put in place a scheme to license and provide for the accreditation of private sector landlords in their area.

New clause 56—Extension of the Housing Ombudsman to cover the Private Rented Sector—

“(1) The Secretary of State shall by regulations introduce a scheme to extend the Housing Ombudsman Scheme, as set out in section 5 of and Schedule 2 to the Housing Act 1996, to cover disputes between tenants and to private landlords in the Greater London Authority.

(2) The scheme under subsection (1) shall—

- (a) last at least one year and no longer than two years; and
- (b) come into effect within 6 months of this Act receiving Royal Assent.

(3) The Secretary of State shall lay before each House of Parliament a report of the scheme under subsection (1) alongside any statement he thinks appropriate, within 3 months of the closing date of the scheme.

(4) The Secretary of State may by regulations extend the powers of the Housing Ombudsman Scheme as set out in section 5 of and Schedule 2 to the Housing Act 1996, to cover disputes between tenants and private landlords nationwide.”

The new clause would give the Secretary of State the power to introduce a pilot scheme which would see the Housing Ombudsman extend its cover in London to private sector housing and disputes between tenants and private landlords, to require that the Secretary of State reports on the pilot scheme, and to give the Secretary of State power through regulations to extend the Housing Ombudsman to cover private sector housing and disputes between tenants and private landlords nationwide.

Government amendments 12 to 26.

Amendment 49, in clause 54, page 25, line 10, at end insert—

“(e) the local housing authority responds to a request by the landlord confirming that they suspect the property to be abandoned.”

The amendment would require the local housing authority to confirm that they also suspect that the property is abandoned before a landlord can recover the abandoned premises.

Amendment 47, in clause 56, page 25, line 37, at end insert—

“() the date specified under subsection (4)(b) must be after the end of the period of 12 weeks beginning with the day on which the first warning notice is given to the tenant.”

The amendment would extend the time periods between the two letters needed to evict a tenant suspected of abandoning the premises and to extend the minimum amount of time before the eviction.

Amendment 48, page 26, line 1, leave out subsection (6) and insert—

“(6) The second warning notice must be given at least 4 weeks, and no more than 8 weeks, after the first warning notice.”

The amendment would extend the time periods between the two letters needed to evict a tenant suspected of abandoning the premises and to extend the minimum amount of time before the eviction.

Mr Jones: I am proud to bring forward a package of amendments to deregulate the housing association sector. In doing so, we are addressing concerns raised by the Office for National Statistics while maintaining a robust regulatory system that protects tenants and lenders alike. New clause 6 and new schedule 1 meet our commitment to help moving housing associations back into the private sector. They remove the social housing regulator’s disposals and constitutional consents regimes and clarify when we can appoint officers and managers to housing associations. Housing associations will no longer need permission from the regulator to sell or change the ownership of their stock or charge their stock for security, nor will they need permission from the regulator before they merge, change their status, restructure and wind up. These changes will free housing associations to efficiently manage their stock and how their businesses are structured.

Despite the new freedoms for the sector, the regulator still has to be on top of what it is regulating. Therefore, housing associations will still need to notify the regulator of any changes made. However, the regulator will no longer be able to prevent stock transfer deals. The amendments tighten the powers of the regulator to make it clear that the appointments of officers and managers to housing associations can be made only where they significantly breach legal requirements. As now, in exercising these powers the regulator has to do so within its statutory and legal framework. Under the Housing and Regeneration Act 2008, it already has a duty to act in a way that minimises interference. As a public body, the regulator also has to act rationally, and any action has to be proportionate as its decisions are open to challenge through judicial review.

The amendments also give housing associations greater freedom as to how they manage their finances by abolishing the disposal proceeds fund. In future, the historical grant in a property that is sold will be required to be recycled to ensure that grant continues to be spent as it was intended. Housing associations will be able to use this money in the most efficient way possible and reinvest

in building more houses and helping more of their tenants into home ownership. I believe that the amendments address the concerns highlighted by the ONS while protecting tenants and maintaining associations' ability to access private finance at low rates so that they continue to build new homes. As a result, amendment 4 removes clause 78, as it is no longer needed.

New clauses 8 to 28 and new schedules 2 and 3 introduce a special administration regime for the social housing sector and the option to extend ordinary administration to housing associations. In introducing these changes, we are responding to concerns that the existing moratorium provisions are not suitable for modern, large, developing and complex housing associations. The provisions could be used in the unlikely event of a housing association becoming insolvent, thus retaining confidence in the sector's lenders.

11.15 pm

Under the special administration regime, the Secretary of State or the regulator of social housing can apply to the court to appoint a housing administrator, who would have the objective of ensuring that the housing association's social housing in England remained in the regulated sector. The moratorium provisions would still be available in suitable cases.

The amendments cover the UK. We want the regime to cover social housing stock in England, including any such stock held by organisations registered with the social housing regulator for England but that, as legal entities, are registered in devolved Administrations. The intention is not to impact on the devolved Administrations' existing arrangements for dealing with insolvent housing associations' social housing in their jurisdiction.

Government new clause 7 removes the Government's ability to reclaim any outstanding financial assistance provided by the state if social housing is sold out of the regulated sector in the extremely unlikely event of an insolvency or a lender enforcing their security. That will reassure lenders that they can continue to value social housing stock on the basis that, should a housing association become insolvent or should they need to enforce their security, they will be able to self-stock out of the regulated sector if absolutely necessary.

Turning to the private rented sector, new clause 37 and the consequential amendments 12, 13 and 15 provide that where a first-tier tribunal makes a banning order against a person, that banning order may also prohibit the person from acting as a director, company secretary or similar officer of a company that carries out activities from which the person is banned. Its purpose is to close a potential loophole by providing that a person who is banned in a personal capacity from being a residential landlord or property agent cannot circumvent the ban by setting up or joining a company to continue acting in that capacity.

Amendment 14 increases the minimum period a person may be banned from being a residential landlord or property agent from six months to a year. We consider that minimum length more appropriate because having a banning order made against a person reflects serious misconduct on that person's part.

Amendment 16 amends clause 21. Civil penalties for breaching a banning order are an alternative to prosecution. There was strong feeling across the House that we

should clamp down on rogue landlords, so we have increased the civil penalty from £5,000 as currently drafted up to a maximum of £30,000. I am glad that the hon. Member for Erith and Thamesmead (Teresa Pearce) on the Opposition Front Bench likes the Government's amendment.

Mr Prisk: On Second Reading, I and a number of other Members raised the issue of clause 21 penalties. I am delighted that the Government have responded to that. Does the Minister agree that the penalties need that level of fine to make the bans effective?

Mr Jones: I thank my hon. Friend for his comments. He is absolutely right. It is important that we raise the level of civil penalty to £30,000, because a smaller fine may not be significant enough for landlords who own numerous properties and who flout the law to think seriously about their behaviour and provide good quality, private sector rented accommodation for their tenants.

Amendments 17 and 18 provide that a person who has had two or more relevant civil penalties imposed on them in the previous 12 months may be entered on the database of rogue landlords and property agents. Amendment 26 would amend clause 53, consequential to Government amendment 17. As the Bill is drafted, it is possible for a person to be entered on the database only if they have been convicted of a banning order offence. Consequently, any person who has had a number of civil penalties imposed on them as an alternative to prosecution in relation to such offences may not be entered on the database. We seek to remove that anomaly with these amendments. We recognise that a civil penalty is likely to be imposed rather than a prosecution in a court for less serious offences. That is why two or more civil penalties have to be imposed, as opposed to a single criminal conviction.

Amendment 19 provides that regulations made about information to be included on the database may include the details of the civil penalties a person has incurred. Amendment 20 makes provision for an entry on the database to be removed or reduced by the local housing authority when the entry was made because the person had incurred civil penalties. That mirrors the existing provisions that deal with the removal or variation of database entries for people who have been convicted of criminal offences. Amendment 21 provides that the duration of an entry on the database may be reduced to less than two years by the local housing authority in certain circumstances.

Amendment 22 provides that the Secretary of State may provide information held on the database in an anonymised form to any person with an interest in private sector housing for statistical and research purposes.

In Committee, the Bill was amended to make it a criminal offence to breach a banning order imposed under chapter 2 of part 2. Changes were also made to ensure that chapter 4 applies to the offence of breach of a banning order in the same way as it applies to other offences. Amendments 23, 24 and 25 are minor and consequential on the introduction of the banning order offence.

Teresa Pearce (Erith and Thamesmead) (Lab): I will speak to new clauses 55 and 56 and amendments 49, 47 and 48.

[*Teresa Pearce*]

New clause 55 would require local authorities to put in place a scheme to license and provide for the accreditation of private sector landlords in their area. Private rented housing is an important part of the housing sector. Nine million people rent privately and the sector is growing. In the past, the private rented sector was often a place for young people to find short-term solutions to their housing needs, perhaps while studying or establishing their careers. Now, almost half of those who rent are over 35 and they need security and stability. Many people are stuck in the private sector, unable to secure any of the declining amount of affordable social housing or to save for a deposit to buy their own home owing to the ever-rising rents.

Most landlords are effective and efficient in letting their property. They provide good properties and support their tenants. Many landlords are already accredited through independent or local authority schemes and some are licensed as they provide houses in multiple occupation. However, there are a few rogue landlords, as we call them, who bring down the name of the private rented sector and the reputation of all landlords. Such rogue landlords often provide substandard accommodation at extortionate prices, sometimes intimidate tenants and often cannot be reached until the rent is due.

The accreditation of landlords has been a feature of the private rented sector for more than 15 years. A local authority-led accreditation and licensing scheme would allow all private landlords to meet set standards. As it would be administered locally, it would give councils the power to establish the scheme that best suited their local housing need. Some local authorities might have particular difficulties with private landlords in respect of housing standards and want to address those through the scheme. Others might have no real problem, but might want to better understand the housing need in the local area and to monitor standards. An accreditation and licensing scheme would also support other measures in the Bill, such as the database of rogue landlords and banning orders. A local authority-led accreditation and licensing scheme would undoubtedly drive up standards across the private rented sector—something we all want—and bring the select few rogue landlords up to the standards of the many good landlords across the country.

Ms Buck: Does my hon. Friend share my concern that although it is estimated that 700,000 properties in the private rented sector have a category 1 hazard under the housing health and safety rating system, just 2,000 landlords have been prosecuted in the past eight years? In addition to the measures she is supporting, does she agree that we should make it possible for tenants to take action when their properties are not fit for human habitation, and update the legislation, as she sought to do in Committee and I did in my private Member's Bill?

Teresa Pearce: I could not agree more with my hon. Friend. The rogue landlord proposals in the Bill and the banning orders are responses after the fact. We want to improve standards so that people do not end up needing banning orders, and do not have to go through the trauma of living in substandard accommodation. Such

accommodation often makes people unwell and unfit to work; it lowers their productivity and hampers their children's education.

Catherine West: Does my hon. Friend accept that it is also terrible when housing benefit is paid on such properties so that in some cases it is almost state-sponsored squalor?

Teresa Pearce: I could not agree more. In Committee we tabled an amendment that asked local authorities to report quarterly to Her Majesty's Revenue and Customs on all housing benefit paid, so that some of the landlords who are literally putting money in their back pocket and not providing a decent service could be caught. Unfortunately, that amendment was not accepted.

Mr Prisk: All Members of the House want to ensure that we crack down on rogue landlords, and that is why many measures in this Bill are good. My problem with the new clause is that it seems to replicate the failed experiment in Scotland, where a register has been on the books for more than five years, yet fewer than half of 1% of those landlords have been removed or had their licence revoked. The ombudsman scheme, together with measures in the Bill, is more effective. How would the hon. Lady's scheme differ from the one in Scotland?

Teresa Pearce: I am aware of the Scottish scheme, but this measure applies to England and it is perfectly possible that we could do it better. We will discuss our amendment on the ombudsman later, so I hope the hon. Gentleman will bear with me.

Mark Pawsey (Rugby) (Con): We all accept that substandard rental accommodation should not be offered to tenants. Does the hon. Lady agree that local authorities currently have plenty of powers to deal with substandard accommodation, but the problem is that often they do not exercise them? Should we be putting pressure on local authorities to make use of powers they already have?

Teresa Pearce: Local authorities have the powers but they do not have the resources. Many local authorities have very few officers who are able to police the system, but resourcing that is an argument for a different day. We discussed in Committee whether the fines that were brought in should be ring-fenced for that purpose, but that measure was not accepted.

Mr Marcus Jones: Does the hon. Lady accept that the civil penalties that local authorities can impose on rogue landlords will be received by the local authority that takes action against the landlord? Does she also accept that things such as housing benefit payments can be reclaimed by local authorities where rogue landlords have not fulfilled their duties under the new rent repayment order regime in the Bill?

Teresa Pearce: I do accept those facts, and in Committee there was much in this section of the Bill that we agreed on. Amendments were tabled that the Minister took away and has now agreed to, which I welcome. New clause 55 is just to ask whether accreditation and licensing by local authorities would create a more professional private rented sector.

New clause 56 would give the Secretary of State the power to introduce a pilot scheme that would see the housing ombudsman extend its cover in London to the private sector. It would require a report from the Secretary of State following the pilot scheme and give the Secretary of State the power to extend the powers of the housing ombudsman to the private sector nationwide after that pilot.

11.30 pm

Private rented housing is a fundamental part of the housing sector and the number of people in the sector has risen. There are now 1.5 million families with children in such properties. They can be evicted with as little as two months' notice. Overall, 9 million people are now renting. In London, the private rented sector makes up a large proportion of the housing market. We proposed introducing a pilot scheme in London to establish whether extending the housing ombudsman scheme to the private rented sector would be advisable. Most landlords offer a good property with good support for their tenants, but disputes can occur. These disputes occur across all forms of housing, but currently the private sector is not covered by the housing ombudsman. It could be a concern that part of a property is dangerous, or that part of the tenancy agreement or the lease is not being upheld. There could be a delay in responding to a situation in the flat, perhaps a problem with electrics, gas or heating. The housing ombudsman is a fantastic independent service which helps to resolve many of these complaints and concerns.

The housing ombudsman considers complaints about how a landlord has responded to reports of the problem, rather than the actual problem itself, and considers what is fair in the circumstances. Some 87% of cases referred to the housing ombudsman were resolved by landlords and tenants with its support and by using the landlords complaints procedure. Many of these have gone on to build and keep good relations, and continue to rent from and let to each other.

It is important that we look at extending the housing ombudsman. The Bill may see a decline in social housing, both local authority managed and housing association managed. While all local authorities and housing associations must be a member of the ombudsman scheme, at present private sector landlords can join the scheme only on a voluntary basis. Not nearly enough of them do, however, leaving many tenants in a position where, when things go wrong, they have nowhere left to turn. Indeed, the type of landlord whom tenants are likely to want to contact the housing ombudsman about are the least likely to sign up voluntarily to the scheme. The private rented sector will increase its share of the housing market as a result of the measures in the Bill. Surely it is right to ensure that tenants are afforded the same protections and dispute resolution service across all sectors.

Helen Hayes (Dulwich and West Norwood) (Lab): Does my hon. Friend agree that private landlords being subject to the ombudsman scheme, and subject to the scrutiny that comes with being a part of the scheme, would also help to drive up standards more generally in the private rented sector in a way that is very badly needed?

Teresa Pearce: I agree that that is a possibility, which is why we are proposing that new clause 56 would see the extension of the housing ombudsman scheme, at first through a pilot scheme in London and then potentially across the country. I believe this would help many tenants in resolving disputes.

On amendment 49, part 3 of the Bill makes provision for private landlords to recover abandoned premises from tenants without going to court. We appreciate the need for landlords to recover abandoned premises, but the measures give landlords dangerous powers to evict tenants with speed and ease. We believe the Bill does not provide safeguards for genuine cases where somebody could be away from the property legitimately, such as a stay in hospital or somebody working away from home. We believe the measures will lead to further pressure on our already stretched local authorities. As the measures stand, we believe they go against the spirit of other parts of the Bill where we have looked to crack down on rogue and criminal landlords through banning orders and a database, and to drive up standards. Instead, as they stand, the measures give the very same landlords a way to evict without recourse to the courts, and with speed and ease.

Many organisations contacted us to raise concerns about the proposed legislation. I raised their concerns in Committee, but it is worth raising them again. Crisis and Shelter have both spoken out against these clauses and recommended that they be removed from the Bill. They were particularly concerned that vulnerable tenants could be unintentionally evicted; tenants will be unable to challenge their eviction effectively; and that there is insufficient evidence that abandonment is a widespread problem and that there is existing legal provision to deal with genuine cases of abandonment. In addition, they believe that by undermining the role of courts in the eviction process, the changes will put more tenants at risk of homelessness. Further representations were made in written and oral evidence to the Committee noting concern with the proposals. Crisis highlighted that the "Bill creates a new 'fast track' eviction process for landlords to reclaim possession of a property which has been abandoned" and that there was no

"robust evidence to suggest that abandonment is a significant or widespread problem."

Citing the Bill and the Government's impact assessment, it also stated:

"Landlord associations have estimated that 1% of calls made to their helplines relate to abandonment. There are approximately 1.4 million landlords. From this figure the government has extrapolated that there are only 1,750 tenancies abandoned every year, which amounts to only 0.04% of private renting households."

We heard concern from legal organisations, such as the Housing Law Practitioners Association, which was unaware of any evidential basis suggesting the need for such a power as that in part 3 of the Bill and did not understand what was thought to be defective in the existing law. It also noted that the "trigger" rent arrears in clause 50 were plainly modelled on those in ground 8 in schedule 2 to the Housing Act 1988. If those arrears are made out, the landlord is already entitled to a mandatory possession order under ground 8. If a landlord has a mandatory right to possession already, why does he need a right to bypass the courts?

The association was also uneasy about the re-instatement provisions and had many concerns about the proposals. Others noted that they did not think the proposals were

[Teresa Pearce]

necessary at all. In fact, there is already legal provision for cases of abandonment in the form of the legal rule of implied surrender, which is where a tenant behaves in such a way that would make a landlord believe they wanted to end a tenancy, such as emptying the property of all its possessions or handing back the keys. Crucially, there has to be evidence of actual abandonment—evidence that the tenant has gone for good—and this could be evidence from neighbours or visual evidence, such as possessions being cleared. The landlord can accept this and then legally change the locks without any court proceedings being required. The question has been raised with us why the measures are being introduced, given the existing provisions protecting landlords in such circumstances.

Many of the organisations that approached us wanted the provisions to be withdrawn from the Bill altogether, but our amendment proposes an extra layer, requiring the local housing authority to confirm that it suspects that the property is abandoned before a landlord can recover the abandoned premises. Landlords could use the proposals in the Bill to secure eviction just by writing tenants a couple of letters, as an act of revenge or to kick out a legitimate tenant who is away on business or in hospital; and what would happen if a landlord says he has sent a letter but the tenant never receives it, after which the tenant goes away a couple of weeks later on holiday and the landlord evicts them while they are away?

The Bill requires the landlord only to say that the property is abandoned, rather than for it actually to be abandoned, and that could be open to abuse. That is why we would like to insert a reasonable extra layer in the proposals. Under the amendment, the local housing authority would need to confirm that it also suspects that the property is abandoned, ensuring that a landlord could not just say so. The amendment would add the voice of a local, respectable and accountable body, such as the council, to a landlord's concerns and to the process and ensure that the measures are not open to abuse. Given that there are estimated to be only 1,750 occasions a year when such a situation would arise and that there are about 400 local authorities, it is unlikely to overburden local authorities. The clauses clearly need to be amended if they are to work, are not open to abuse and can be used appropriately on the rare occasions that a landlord requires a property back.

Amendments 47 and 48, also on abandoned premises, would extend the time period between the two letters needed to evict a tenant. Amendment 47 would specify that the date by which the tenant must reply must be after the 12-week period, while amendment 48 would provide longer between the first and second warnings. I spoke, on the previous amendment, about the flaws in the abandonment proposals and how they were open to abuse or error, meaning that landlords could use the proposals to evict tenants just by writing them a couple of letters.

I completely understand the situation a landlord is in when a tenant truly has abandoned a property. In Committee, I raised the need for local authorities to know not just who rogue landlords were but who rogue tenants were. Tenants also enter into a legal contract with a landlord when they take on a property, and they

should not breach that agreement, just as landlords are not expected to breach their end of the agreement, yet these clauses give rogue landlords the ability to evict with speed and ease.

The Minister has already responded to the issues raised in Committee and added provision for a third wave of letters, for which I am grateful. It is still important, however, to safeguard these measures against abuse. We believe that by extending the minimum amount of time before a landlord is able to recover abandoned premises, those with legitimate reasons for absence from their property would be able to respond, which would help to safeguard against potential abuse.

One of the concerns raised about these proposals was the pressure on local housing authorities that might have a duty to rehouse tenants who have been evicted, even if just in emergency accommodation following the eviction. When faced with someone about to be evicted under section 21 notices, local housing authorities have the advantage of time in the current system to plan the resources; if they know that a resident is going to be evicted, they can try to do something about it before the date of eviction. Under the proposals in the Bill, however, residents could be evicted in haste, placing further pressure on local housing authorities.

The amendments would insert a little more time into the recovery of abandoned premises, which would ease the pressure on local housing authorities and help to avoid any abuse of the process. In addition, it would be advantageous to extend the time period between the first two letters needed to evict a tenant suspected of abandoning premises from four weeks to eight weeks, because that would safeguard against error and a landlord using the measure to kick out a legitimate tenant who is away on business, in hospital or even on holiday. By extending the time period between the letters, there is obviously less chance of that happening. That will safeguard against abuse and allow tenants more time to query the landlord or to seek housing advice. As there is no court involvement in this process, it gives the tenant more time to assess their options.

It is clear that the Bill's proposals could affect all tenants in the private rented sector, and that all landlords will have the powers, even though they are open to abuse and abandonment accounts only for an estimated 1,750 occasions a year. Why not get this right so that it safeguards against abuse and does what it is supposed to do? That would allow landlords to recover abandoned premises and not allow rogue landlords to evict tenants with ease. Legislation on abandonment needs to be watertight, because although it affects only 0.04% of tenancies, it could be abused.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): I am pleased to have the opportunity to speak to new clause 5, which is complementary to clause 26—previously clause 22—of this excellent Bill and which relates to rogue landlords and letting agents. The new clause simply requires local authorities to add a question to their council tax registration forms seeking information about the tenure of a property. It would not only be administratively easy to implement, but the cost would be de minimis. The purpose of the new clause is to provide a database for all local authorities, identifying the owners of privately rented properties.

Currently, local authorities know who is paying council tax on a private property, but they have no way of knowing if it is owner-occupied or tenanted. Having easy access to such information would have numerous benefits for local planning authorities, environmental health departments, social services, tenants, HMRC and good landlords. The Residential Landlords Association fully supports this measure.

Mr Prisk: I strongly support new clause 5 and I hope that the Government will look favourably on it. Does my hon. Friend agree that one critical benefit of the new clause is the ability to use the information to track rogue landlords when they move from one place to another?

Dame Angela Watkinson: I thank my hon. Friend for that intervention. That is why it is so important that all local authorities adopt this measure; rogue landlords will have properties in more than one area.

The database would also assist local planners in measuring the size of the private rented sector in their area. That would help to develop future planning policy. Enforcement of existing regulations relating to the private rented sector would be made easier, as the landlord could be identified and contacted. Indeed, the absence of this information could alert local authorities to possible irregularities such as illegal subletting, unregulated houses in multiple occupation—this is becoming a problem in my Hornchurch and Upminster constituency—housing benefit fraud and public health issues. Finite resources could then be targeted at the most troublesome tenanted properties via the Land Registry.

11.45 pm

HMRC would be able to identify non-declaration of rental income for taxation purposes, but importantly this measure would help tenants by identifying rogue landlords who do not maintain their properties in safe, habitable condition or treat their tenants fairly. An estimated one third of privately rented properties do not meet decent homes criteria and one in six present a severe threat to health or safety because of unsafe gas and electrical appliances, leaking plumbing or roofs, faulty fire alarms, vermin and damp. Too many tenants live at the whim of rogue landlords, unaware of their rights, in squalid conditions with insecure tenancies.

Local authorities do not have the resources or capacity effectively to inspect and enforce all these issues. In clause 26, the Bill gives local housing authorities in England responsibility for maintaining the content of the database and ensures that

“local housing authorities are able to edit the database”

and to keep it updated. It is difficult to see how local authorities are going to be able to fulfil this function if they do not have the database to refer to and if they do not know which properties in their area are tenanted and who or where the landlords are.

The licensing of landlords has been shown to be complex and costly, with patchy results, as only the good landlords will register and the costs of registering passed on to the tenant. It has been argued that councils already have the power to collect tenure information on their council tax registration forms but, crucially, only a small handful do so. To be effective, all councils need to use this power consistently as rogue landlords often

operate in more than one area. That is why the new clause makes the use of the power mandatory. It is not further regulation, but a measure to facilitate the enforcement of existing regulations affecting the private rented sector and the taxation of landlords. It is not administratively burdensome or a drain on scarce resources, but it would benefit tenants, good landlords, local authorities and HMRC. I look forward to hearing the Minister's comments on the proposal when he responds to the debate.

Mr Betts: I thank the Government for taking up two of the proposals from the Select Committee's report in the previous Parliament on rent recovery and civil penalties. That was something the Committee agreed unanimously. I see the hon. Member for Rugby (Mark Pawsey) in his place. He was a member of the Committee at that time. It is right to give local authorities a lighter-touch way of dealing with the less serious problems that may exist in private sector properties by introducing civil penalties and rent recovery. The idea that landlords should be getting public money when clearly providing a property that breaches legal requirements is outrageous. It is good that the Government are acting and legislating, I think with all-party support, to ensure that the money paid out in those wrongful circumstances can be properly recovered by the public sector and indeed by tenants where their money has been used to pay for rent for a property that has not met the legal standards.

I want to raise one or two issues mentioned by my hon. Friend the Member for Erith and Thamesmead (Teresa Pearce) and refer to the Select Committee report. When the Committee published its report—I am sorry to cut slightly across my hon. Friend on this issue—we concluded that licensing schemes should be a matter for local discretion. We said that they were a useful tool in the armoury of local authorities to deal with particularly bad problems in areas with poor landlords and poor-quality housing, but we adopted a localist approach and said that in the end it should be a matter for local discretion. However, we did raise the problem—it is right that my hon. Friend raised the issue again—that many authorities chose not to take up licensing schemes, not because they thought they were a bad idea, but because the whole bureaucracy around the schemes deters authorities and makes it expensive to get them in place. I hope the Minister will have another look at that.

I speak from experience, not in my constituency but in the next-door constituency of Sheffield, Brightside and Hillsborough. A licensing scheme that was introduced in Page Hall has been very successful in dealing with the real problems caused by bad landlords and bad properties, but the process of establishing it involved a great deal of bureaucracy and money that could have been better spent on enforcement and attempts to deal with the inadequate housing situation.

Mark Pawsey: The hon. Gentleman led the production of the Select Committee report very effectively during the last Parliament. As he will recall, the evidence suggested that good landlords were happy to go on to the register, or, alternatively, were reluctant, but did so because they wanted to play by the rules. The rogue landlords, by definition, do not want to play by the rules and would not register in the first place. The process tends to be not terribly productive.

Mr Betts: I think that when authorities have been able to target resources at a particular area, go for the bad landlords and try to get them to sign up, the system has been relatively successful. I have had experience of one case, but there is a bigger case in Newham, where the local authority has been licensing all the private sector properties in the borough.

If the necessary resources are put in, a licensing scheme can be effective. The difficulty is that local authorities can charge only for the administration costs. They cannot charge for the costs involved in following up inadequate properties, and trying to enforce proper conditions in those properties. The problem that currently affects private sector housing relates not to the powers that local authorities may or may not have, but to the fact that, in many instances, they do not have the resources that would enable them to use their powers effectively. That is a real challenge that needs to be addressed, and on which we ought to reflect further. I do not know whether the Government have any more ideas, but rent recovery and civil penalties may help a little.

Let me return to another issue that was raised by the Select Committee, and to which the Minister referred. Why cannot local authorities keep the fines that are imposed on bad landlords for failing in their duties? It seems a little odd that in the less serious cases authorities can keep the proceeds of civil penalties, but in the most serious cases, which often cost the most in terms of local authority officers' time—and, in my experience, authorities often do not recover the costs when they go to court—the fines go back to the central Exchequer. What is the Government's problem with allowing authorities that are involved in the most serious cases, with the greatest costs, to keep the fines that are levied?

Catherine West: In some instances, particularly in London boroughs, it is so lucrative to be a landlord that the civil penalties are not enough of a disincentive. People can be in court at one moment and building another shoddy flat at the next. They will simply pay the fine, because ultimately it will represent only a tiny proportion of their profit.

Mr Betts: That is true. I am pleased that the Government seem to want to increase the fine levels. I hope that eventually the banning orders will kick in, and a number of civil penalties will be imposed over a period. That is the intention of one of the amendments, and it, too, is welcome. I think that banning orders will have an impact if they are properly effective, along with other measures in the Bill that will help to deal with rogue landlords.

Before I say a few words about the ombudsman, I want to say something about new clause 5, which we heard about from the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson). I think that it is an excellent measure, and the Government ought to think seriously about it. It is very simple, and would be very light on public sector resources. Indeed, it would probably save public money, because it would not be necessary to chase around finding out who owned properties when there was a problem with them. The information would be readily available, at little cost to the public purse. Local authorities would be able to do their jobs more effectively, as they would spend less time trying to

find out who was the owner or the letting agent. Tenants often do not have that information, but by the time a problem occurs, authorities want to have it to hand so that they can take immediate action against those who are responsible.

The hon. Lady also put her finger on a very important point. In the case of the licensing scheme in Sheffield, I suddenly realised why landlords were so opposed to it. There was, of course, the possibility that local authorities would carry out more inspections of their properties, find faults and take action, but what most disturbed them, in my view, was that HMRC would know that a property was tenanted and rent was being paid to someone, and one or two further inquiries might follow. I think that is absolutely right: that should be done—the taxpayer ought to be paid their tax on rent that is collected. Very often in these properties there are not proper tenancy agreements, the rent is simply paid cash in hand and the taxpayer receives none of it. Having that information in the public domain that can be used for any proper purpose—I hope that would include being able to pass it on to the tax authorities—has another benefit to the public purse. That is a very sensible and simple measure, and I hope the Government will be prepared to support it.

Finally, I hope the Government will give further thought to the housing ombudsman covering the private rented sector. I know there may be the view that this is a private sector and therefore a public sector ombudsman should not be looking at these matters, but let us draw a comparison. The coalition Government extended the remit of the local authority ombudsman to cover social care homes even when the person in those homes was paying for themselves, so there was no direct public sector involvement. That remit was extended to social care homes because it was thought that it was somehow wrong that some people could not take an element of social care provision to the ombudsman for a decision while other people in the same care home could.

For example, if a local authority discharges its homelessness duty by allocating or placing someone in a private sector property and it all goes wrong, the local authority element of that, where it makes the placement, would presumably be under the jurisdiction of the local authority ombudsman. However, if it is the private landlord who does not deal with that tenancy properly, there would be no remit for the tenant to go to any ombudsman at all. Once the local authority discharges its duty and makes provision to have someone housed in the private sector, at some point in the transfer from someone being homeless to them receiving a private tenancy, there would be a switch from an individual having recourse to go to an ombudsman and their not having recourse to do so. There could be great dispute about whether the action of allocating someone a house in the private sector as part of a local authority's homelessness responsibility was covered by an ombudsman or not. I therefore hope that the Government will reflect on the fact that this may be one of the gaps in the provision of the ombudsman's service. I know that they are looking overall at reconfiguration of the service, and they might give some thought to this extension as a sensible way of covering one of the gaps.

Dr Blackman-Woods: I wish to make some comments about the Government new clauses on deregulation of housing associations and ask the Minister some questions.

In Committee we raised several probing amendments relating to clause 78, which covered reducing regulation but did not specify what measures the Government would be taking to deregulate the social housing sector. Of course, we understand that the Government are now seeking, under amendment 4, to leave out clause 78 and replace it with new clause 6 and new schedule 1. As the Minister said in Committee in response to probing amendments:

“I intend to introduce a package of measures on Report. The ONS announced the reclassification decision on 30 October, which has not yet given us the time to carefully work through a package in time for the Committee.”—[*Official Report, Housing and Planning Public Bill Committee*, 1 December 2015; c. 465.]

This is our first opportunity to see these new measures.

We welcome replacing the general with the specific. Removing clause 78 and replacing it with new clause 6 and new schedule 1 is primary legislation. Clause 78 gave Ministers a sweeping open power to repeal regulations affecting housing associations. At least new clause 6 and new schedule 1 have the merit of being precise—but they are very long. In total, the new clauses and schedules in this group amount to 34 pages of new legislation—almost a quarter as long as the Bill itself. They were tabled close to the deadline for debate on Report, and over the Christmas recess, so there is no way that this House, or the organisations and experts that have a direct interest in these provisions, can properly scrutinise or challenge the Government on the content of this newly introduced legislation. We can see that the new clauses and new schedule contain several elements that address some of the issues raised by the ONS as part of the reclassification of housing associations. They will address the issues through the removal of the Government’s consent power over how housing associations hold their assets.

12 midnight

As we observed in Committee, housing associations have said that artificial restrictions on valuations mean that association homes that have been transferred from local authorities can be valued at only 30% to 45% of what they are worth. They have asked for that restriction to be removed, because those homes, like other affordable homes owned by such associations, should be valued at about 60% of their market worth. The Government’s powers over the management of housing associations, and in particular the power of the regulator—the Homes and Communities Agency—to appoint managers and officers to housing associations, were also identified as key areas of concern by the ONS. Again, we can see that this question is being addressed through the new clauses.

New schedules 2 and 3, along with several of the new clauses, will introduce a special administration regime in the event of the potential insolvency of a housing association. That, too, was a matter that was raised by the housing associations. Government control over the voluntary winding up, dissolution and restructuring of housing associations was also cited by the ONS in its judgment. That question is now dealt with by new clauses 13 and 14, among others.

I want to ask the Minister three questions on these subjects. The House will know that the housing associations were shocked when the ONS decided to reclassify them as public bodies. That caught them unawares and it was seen as an unwelcome step. They are keen to see the reclassification reversed, and Ministers claim that changes

in the Bill will do that, but on what basis can they give us that assurance? On what basis should we accept it? Is it simply the Minister’s assertion, or has he had detailed discussions with the ONS on whether the new clauses would lead to the reclassification of housing associations as private sector bodies?

Secondly, do the Government have any plans to conduct an independent impact assessment for the measures in new clauses 6 to 28 and for the new range of amendments on the deregulation of housing associations, relating to their ability to deliver more housing? Thirdly, what do the Government intend to do if reclassification back into the private sector does not take place?

Mr Marcus Jones: I shall try to keep my comments brief while I address as many of those points as I can. I am particularly grateful to my hon. Friend the Member for Hornchurch and Upminster (Dame Angela Watkinson) for tabling her new clause to require a local authority to request tenure information from residents, owners and managing agents whenever the authority requests council tax information. Like my hon. Friend, I am supportive of ensuring that local authorities have the tools necessary to tackle rogue landlords in the private rented sector in their areas. The Government are committed to promoting a strong, professional private rented sector in which good landlords can prosper and hard-working tenants can enjoy decent standards and receive a service that represents value for money for their rent.

I am sympathetic to my hon. Friend’s proposal, but we need to be mindful that we are increasing the tools that local authorities can use by requiring tenancy deposit protection schemes to provide tenancy deposit information, when requested, to local housing authorities and other relevant bodies in England, as set out in part 5 of the Bill. As my hon. Friend knows, local authorities already have powers in existing and draft legislation to seek information on housing tenure, through the Local Government Finance Act 1992 and the Housing Act 2004, as well as through Land Registry and housing benefit data. It will be important to establish why local authorities are not already using the powers they have at their disposal. I am therefore pleased to tell my hon. Friend that I propose to set up a working group to examine this important issue. The group will include experts from the sector, such as landlords, local authorities and the Local Government Association, and will report back to Ministers within three to six months. Given my hon. Friend’s strong interest in this area, I would like to invite her to be part of that working group.

Mr Betts: It is good that the Minister has an interest in pursuing the ideas that the hon. Lady has raised, but if the group reports back in three to six months, that means that this Bill will be passed without these changes being introduced. If the working group came up with the view that these proposals were needed, what is the earliest reasonable date by which they could be implemented?

Mr Jones: I thank the Chairman of the Select Committee for that question. We first need to establish whether or not primary legislation is required, and we also need to establish exactly why local authorities are not using the powers they currently have at their disposal. That is what we intend to do, and it is why we have set up the

[*Mr Marcus Jones*]

working group. From that work, we will consider what measures are necessary—or not—to take forward the proposal made by my hon. Friend.

Mr Betts: I understand that there might be a need to establish why local authorities are not using powers they already have. Is the Minister saying to the House that local authorities currently have all the powers that are contained in the new clause proposed by the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson)?

Mr Jones: The significant difference in my hon. Friend's new clause is that there is a compulsion on local authorities to obtain the information that it requires and then to act on that. At the moment, there is nothing to prevent local authorities from doing that, as they have the powers from the 1992 Act and they have the powers to use that information from the 2004 Act.

I shall move on to deal with new clause 55, which would require all local authorities to operate an accreditation and licensing scheme for private landlords. I do not believe that local authorities should be required to operate an accreditation scheme in their area. Accreditation is only of interest to good landlords who rent out decent accommodation, so it does not help to identify and tackle the criminal landlords, whom we are tackling through other measures in the Bill. In addition, local authorities are in the best position to decide whether there is a need for an accreditation scheme in their area. I welcome the Chairman of the Select Committee's comments about this new clause, particularly what he said about the civil penalties that the Bill includes and rent repayment orders. Both of those were measures that the Select Committee sought in the last Parliament. He mentioned bureaucracy, but he does need to consider that due process does need to be followed and full public consultation needs to take place. That is a challenge in regard to the concern that he had, but he did make an important point about best practice. Some local authorities are doing this very well and we need to spread that best practice and examine how we can do so.

New clause 56 seeks to widen the housing ombudsman's role to cover private sector housing and disputes between tenants and private landlords in London through requiring the Secretary of State to set up a pilot scheme, and then potentially extend it nationwide. As I set out in Committee, private sector landlords can of course already join the housing ombudsman scheme on a voluntary basis. Indeed, many landlords who wish to assure their tenants of the quality of their services do so already. The Greater London Authority would need to take a view on whether it would be appropriate for the housing ombudsman to expand its role in London given linkages with the London rental standard. Were these landlords required to sign up, we would not expect the same level of engagement or compliance with the process, and determinations would not be enforceable. We would risk increasing costs while the tenants of reluctant landlords may not see the benefit.

Ms Buck: Given that there are three quarters of a million properties in the private rented sector that have a category one hazard, does the Minister share my disappointment that only 250 landlords a year have

been prosecuted over the past eight years? Why does he not think it sensible to make a simple change in the law to allow tenants themselves to take civil action against rogue landlords?

Mr Jones: I hear what the hon. Lady says, but with this Bill we are significantly changing the dynamic so that local authorities can keep the civil penalties—penalties of up to £30,000 on a landlord—and recover money paid in housing benefit through rent repayment orders. As for why a tenant cannot go ahead and invoke a banning order as a local authority can, we need to bear in mind that first-tier tribunals will be able to issue banning orders following an application from a local housing authority. Banning orders are being introduced to help deal with landlords who repeatedly fail to comply with their legal responsibilities. The important point is that local housing authorities will have the information about previous offences that have been committed by the landlord anywhere in England and will therefore be in the best position to determine whether a banning order will be the most appropriate sanction. Where a tenant or an organisation has information about a landlord's transgression, they will be able to report it to the particular housing authority, which will now be more able to move forward with such action because they will have additional resource.

Catherine West: Will the Minister also clarify what he is thinking about in relation to increasing the fines? Is that still under consideration?

Mr Jones: As the hon. Lady will know from looking at the original Bill, the penalty—I use the word penalty rather than fine—is £5,000. That has now been increased with these amendments, which I hope she will support, to £30,000. In regard to amendments 47, 48 and 49, the process for serving warning notices in the operation of the unpaid rent condition means in practice that it will take a landlord at least 12 weeks to recover an abandoned property.

Amendments 48 and 49 would add at least a further four weeks, and amendment 47 would delay the process further if a landlord needed to seek the local authority's view on whether the property had been abandoned. I can see that some kind of independent verification as a safeguard might, on first appearance, seem an attractive proposition. However, in addition to the obvious delay to the process that that would cause, I do not see how the local authority could deliver that verification with any more precision than the landlord. It would also create a significant new burden on local authorities.

The provisions can also be used where a property has been abandoned by the tenant and rent arrears continue to accrue. In those circumstances, it is important that landlords should be able to recover the premises with minimum delay, but while giving the tenant every opportunity to confirm that they have not abandoned it. We therefore believe that three months, or 12 weeks, is the right period. We brought forward a number of further safeguards in Committee including a third warning notice, which must be affixed to the property.

I am conscious of the time, and I hope that colleagues who have tabled amendments as part of this group will not divide the House unnecessarily. The Government amendments will also confirm our support for an

independent housing association sector that has freedom to deliver the homes people need and I commend them to the House.

Question put and agreed to.

New clause 6 accordingly read a Second time, and added to the Bill.

New Schedule 1

REDUCING SOCIAL HOUSING REGULATION

PART 1

REMOVAL OF DISPOSAL CONSENT REQUIREMENTS

Housing Act 1985 (c. 68)

1 (1) Section 171D of the Housing Act 1985 (consent to certain disposals of housing obtained subject to the preserved right to buy) is amended as follows.

(2) After subsection (2) insert—

“(2ZA) Subsection (2) does not apply to a disposal of land by a private registered provider of social housing.”

(3) In subsection (2A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

Housing Act 1988 (c. 50)

2 The Housing Act 1988 is amended as follows.

3 (1) Section 81 (consent to certain disposals of housing obtained from housing action trusts) is amended as follows.

(2) In subsection (1), for “section 79(2)(za) or (a)” substitute “section 79(2)(a)”.

(3) In subsection (3A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008,”.

4 (1) Section 133 (consent to certain disposals of housing obtained from local authorities) is amended as follows.

(2) In subsection (1ZA)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(3) For subsection (1B) substitute—

“(1B) This section does not apply if the original disposal was made to a private registered provider of social housing.”

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008,”.

Local Government and Housing Act 1989 (c. 42)

5 (1) Section 173 of the Local Government and Housing Act 1989 (consent to certain disposals of housing obtained from new town corporations) is amended as follows.

(2) After subsection (1) insert—

“(1ZA) Subsection (1) does not apply to a disposal of land by a private registered provider of social housing.”

(3) In subsection (1A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008,”.

Leasehold Reform, Housing and Urban Development Act 1993 (c. 28)

6 In Schedule 10 to the Leasehold Reform, Housing and Urban Development Act 1993 (acquisition of Interests from Local Authorities etc), in paragraph 1(2)(b), for “sections 148 and 172” substitute “section 148”.

Housing and Regeneration Act 2008

7 The Housing and Regeneration Act 2008 is amended as follows.

8 In section 60 (structural overview), in subsection (4), in the final column of the entry relating to Chapter 5 of Part 2 of the Act—

(a) for paragraph (b) (Regulator’s consent) substitute—

“(b) Notification of regulator”;

(b) omit paragraphs (c), (d) and (g).

9 After section 74 insert—

“74A Leaving the social housing stock: transfer by private providers

(1) A dwelling ceases to be social housing if a private registered provider of social housing owns the freehold or a leasehold interest and transfers it to a person who is not a registered provider of social housing.

(2) Subsection (1) does not apply if and for so long as the private registered provider has a right to have the interest transferred back to it.

(3) Subsection (1) does not apply where low cost home ownership accommodation is transferred to—

(a) the “buyer” under equity percentage arrangements (see section 70(5)), or

(b) the trustees under a shared ownership trust (see section 70(6)).

(4) See section 73 for circumstances when low cost home ownership accommodation ceases to be social housing.”

10 (1) Section 75 (leaving the social housing stock) is amended as follows.

(2) Omit subsection (1).

(3) In subsections (2) and (3), for “Subsections 1 and (1A) do” substitute “Subsection (1A) does”.

(4) In the heading, after “stock:” insert “local authority”.

11 In section 119 (de-registration: voluntary), in subsection (5), omit paragraph (a) and the “and” at the end of that paragraph.

12 In section 149 (moratorium: exempted disposals)—

(a) omit subsection (6);

(b) in subsection (7), for “6” substitute “5”;

(c) in subsection (8), for “7” substitute “6”.

13 In section 171 (power to dispose), in subsection (3), omit “(which include provisions requiring the regulator’s consent for certain disposals)”.

14 For the italic heading above section 172 substitute—

“Notification of Regulator”.

15 Omit sections 172 to 175 (disposal consents).

16 For section 176 substitute—

“176 Notification of disposal

(1) If a private registered provider disposes of a dwelling that is social housing it must notify the regulator.

(2) If a non-profit registered provider disposes of land other than a dwelling it must notify the regulator.

(3) Subsection (1) continues to apply to any land of a private registered provider even if it has ceased to be a dwelling.

(4) The regulator may give directions about—

(a) the period within which notifications under subsection (1) or (2) must be given;

(b) the content of those notifications.

(5) The regulator may give directions dispensing with the notification requirement in subsection (1) or (2).

(6) A direction under this section may be—

(a) general, or

(b) specific (whether as to particular registered providers, as to particular property, as to particular forms of disposal or in any other way).

- (7) A direction dispensing with a notification requirement—
 (a) may be expressed by reference to a policy for disposals submitted by a registered provider;
 (b) may include conditions.

(8) The regulator must make arrangements for bringing a direction under this section to the attention of every registered provider to which it applies.”

17 Omit section 179 and the italic heading before it (application of provisions of the Housing Act 1996 that have a connection with disposal consents.)

18 In section 186 (former registered providers), for “to 175” substitute “and 176 (apart from section 176(2))”.

19 Omit section 187 (change of use, etc).

20 Omit section 190 (consent to disposals under other legislation).

21 In section 278A (power to nominate for consultation purposes), for paragraph (b) substitute—

“(b) section 176;”.

PART 2

RESTRUCTURING AND DISSOLUTION: REMOVAL OF CONSENT REQUIREMENTS ETC

22 The Housing and Regeneration Act 2008 is amended as follows.

23 In section 115 (profit-making and non-profit organisations), in subsection (9), after “non-profit organisation” insert “or vice versa”.

24 For section 160 substitute—

“160 Company: arrangements and reconstructions

(1) This section applies to a non-profit registered provider which is a registered company. The registered provider must notify the regulator of any voluntary arrangement under Part 1 of the Insolvency Act 1986.

(2) The registered provider must notify the regulator of any order under section 899 of the Companies Act 2006 (court sanction for compromise or arrangement).

(3) An order under section 899 of Companies Act 2006 does not take effect until the registered provider has confirmed to the registrar of companies that the regulator has been notified.

(4) The registered provider must notify the regulator of any order under section 900 of the Companies Act 2006 (powers of court to facilitate reconstruction or amalgamation).

(5) The requirement in section 900(6) of the Companies Act 2006 (sending copy of order to registrar) is satisfied only if the copy is accompanied by confirmation that the regulator has been notified.”

25 For section 161 substitute—

“161 Company: conversion into registered society

(1) This section applies to a non-profit registered provider which is a registered company.

(2) The registered provider must notify the regulator of any resolution under section 115 of the Co-operative and Community Benefit Societies Act 2014 for converting the registered provider into a registered society.

(3) The registrar of companies may register a resolution under that section only if the registered provider has confirmed to the registrar that the regulator has been notified.

(4) The regulator must decide whether the new body is eligible for registration under section 112.

(5) If the new body is eligible for registration, the regulator must register it and designate it as a non-profit organisation.

(6) If the new body is not eligible for registration, the regulator must notify it of that fact.

(7) Pending registration, or notification that it is not eligible for registration, the new body is to be treated as if it were registered and designated as a non-profit organisation.

26 For section 163 substitute—

“163 Registered society: restructuring

(1) This section applies to a non-profit registered provider which is a registered society.

(2) The registered provider must notify the regulator of any resolution passed by the society for the purposes of the restructuring provisions listed in subsection (4).

(3) The Financial Conduct Authority may register the resolution only if the registered provider has confirmed to the Financial Conduct Authority that the regulator has been notified.

(4) The following provisions of the Co-operative and Community Benefit Societies Act 2014 are the restructuring provisions—

(a) section 109 (amalgamation of societies);

(b) section 110 (transfer of engagements between societies);

(c) section 112 (conversion of society into a company etc).

(5) The regulator must decide whether the body created or to whom engagements are transferred (“the new body”) is eligible for registration under section 112.

(6) If the new body is eligible for registration, the regulator must register it and designate it as a non-profit organisation.

(7) If the new body is not eligible for registration, the regulator must notify it of that fact.

(8) Pending registration, or notification that it is not eligible for registration, the new body is to be treated as if it were registered and designated as a non-profit organisation.”

27 In section 165 (registered society: dissolution), for subsection (2) substitute—

“(2) The registered provider must notify the regulator.

(3) The Financial Conduct Authority may register the instrument under section 121 of that Act, or cause notice of the dissolution to be advertised under section 122 of that Act, only if the registered provider has confirmed to the Financial Conduct Authority that the regulator has been notified.”

28 Omit section 166 (winding up petition by regulator).

29 After section 169 insert—

“Notification of constitutional changes

169A Registered societies: change of rules

A non-profit registered provider that is a registered society must notify the regulator of any change to the society’s rules.

169B Charity: change of objects

The trustees of a registered charity that is a non-profit registered provider must notify the regulator of any amendment to the charity’s objects.

169C Companies: change of articles etc

A non-profit registered provider that is a registered company must notify the regulator of—

(a) any amendment of the company’s articles of association,

(b) any change to its name or registered office.”

Directions about notifications

169D Directions about notifications

“(1) The regulator may give directions about—

(a) the period within which notifications under sections 160 to 165 or 169A to 169C must be given by private registered providers;

(b) the content of those notifications.

(2) The regulator may give directions dispensing with notification requirements imposed by sections 160 to 165 or 169A to 169C.

(3) A direction under this section may be—

(a) general, or

- (b) specific (whether as to particular registered providers, particular kinds of notification requirement or in any other way).

(4) A direction dispensing with a notification requirement may include conditions.

(5) The regulator must make arrangements for bringing a direction under this section to the attention of every registered provider to which it applies.”

30 In section 192 (overview), omit paragraph (c).

31 Omit sections 211 to 214 and the italic heading before section 211 (constitutional changes to non-profit providers).

PART 3

ABOLITION OF DISPOSAL PROCEEDS FUND

32 In the Housing and Regeneration Act 2008 omit—

- (a) sections 177 and 178;
- (b) the italic heading before section 177.

33 Regulations under section 152 in connection with the coming into force of paragraph 32 may, in particular, include provision to preserve the effect of sections 177 and 178 of the Housing and Regeneration Act 2008 for a period in relation to sums in a private registered provider's disposal proceeds fund immediately before that paragraph comes into force (including later interest added under section 177(7) of that Act).

PART 4

ENFORCEMENT POWERS

34 The Housing and Regeneration Act 2008 is amended as follows.

35 In section 269 (appointment of new officers of non-profit registered providers) in subsection (1)(c), for “proper management of the body's affairs” substitute “to ensure that the registered provider's affairs are managed in accordance with legal requirements (imposed by or under an Act or otherwise)”.

36 In section 275 (interpretation), for the definition of “mismanagement” substitute—

““mismanagement”, in relation to the affairs of a registered provider, means managed in breach of any legal requirements (imposed by or under an Act or otherwise);”.—(*Mr Marcus Jones.*)

Brought up, read the First and Second time, and added to the Bill.

Amendment made: 4, page 33, line 6, leave out clause 78.—(Mr Marcus Jones.)

Clause 78 amends legislation that requires private registered providers to obtain consent before disposing of property. The purpose of the clause was to allow a disposal to refer to the right to buy deal. This clause is no longer needed because NSI removes the general requirements for private registered providers to obtain consent before disposing of property.

Clause 153

REGULATIONS: GENERAL

Amendments made: 6, page 76, line 22, leave out paragraph (b).

This is consequential on amendment 4.

Amendment 5, page 76, line 23, at end insert—

“() regulations under section (Conduct of housing administration etc) or paragraph 44 of Schedule (Conduct of housing administration: companies),”
.—(*Mr Marcus Jones.*)

This ensures that the regulations mentioned in the amendment are subject to affirmative procedure.

New Clause 7

RECOVERY OF SOCIAL HOUSING ASSISTANCE: SUCCESSORS IN TITLE

“(1) Section 33 of the Housing and Regeneration Act 2008 (recovery of social housing assistance: interest and successors in title) is amended as follows.

(2) In subsection (6)(b), after “another person” insert “(“the successor”)”.

(3) After subsection (6) insert—

“(6A) But subsection (7) does not apply if—

- (a) the successor is a person other than a registered provider of social housing, and
- (b) at any time since the social housing assistance was given—
 - (i) a person has enforced a security over the social housing, or
 - (ii) the social housing has been disposed of by a body while it is being wound up or is in administration.”

(4) In subsection (7) for “that other person” substitute “the successor”.—(*Mr Marcus Jones.*)

Where the Homes and Community Agency gives financial assistance on condition that the recipient provides social housing, there are currently circumstances in which the financial assistance can be recovered from a successor in title to the recipient. The amendment limits the ability to recover from a successor in title in certain circumstances, for example where a mortgagee has taken steps to recover possession.

Brought up, read the First and Second time, and added to the Bill.

New Clause 8

HOUSING ADMINISTRATION ORDER: PROVIDERS OF SOCIAL HOUSING IN ENGLAND

“(1) In this Chapter “housing administration order” means an order which—

- (a) is made by the court in relation to a private registered provider of social housing that is—
 - (i) a company,
 - (ii) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
 - (iii) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011, and
- (b) directs that, while the order is in force, the provider's affairs, business and property are to be managed by a person appointed by the court.

(2) The person appointed for the purposes of the housing administration order is referred to in this Chapter as the “housing administrator”.

(3) The housing administrator must—

- (a) manage the provider's affairs, business and property so as to achieve the objective set out in section (Objective of housing administration), and
- (b) carry out all other functions so as to achieve that objective.

(4) In relation to a housing administration order applying to a registered provider that is a foreign company, references in this section to the provider's affairs, business and property are references to its UK affairs, business and property.”
.—(*Mr Marcus Jones.*)

This is the first of a number new clauses designed to introduce a special administration regime for private registered providers of social housing that have become insolvent. There are also restrictions on other insolvency procedures. The intention is for

these new clauses to form a new Chapter in Part 4 of the Bill. References in the amendments to “this Chapter” or to “Chapter 3A” are to the new Chapter.

Brought up, read the First and Second time, and added to the Bill.

New Clause 9

OBJECTIVE OF HOUSING ADMINISTRATION

“(1) The objective of a housing administration is to ensure that—

- (a) that the registered provider’s social housing remains in the regulated housing sector, and
- (b) that it becomes unnecessary, by one or more of the following means, for the housing administration order to remain in force for that purpose.

(2) Those means are—

- (a) the rescue as a going concern of the registered provider, and
- (b) relevant transfers of some or all of the registered provider’s undertaking.

(3) A transfer is a “relevant” transfer if it is a transfer as a going concern to another private registered provider, or to two or more different providers, of so much of the undertaking as it is appropriate to transfer for the purpose of achieving the objective of the housing administration.

(4) The means by which relevant transfers may be effected in the case where the registered provider subject to the order is a company include, in particular—

- (a) a transfer of the undertaking of the registered provider subject to the order, or of a part of its undertaking, to a wholly-owned subsidiary of that provider, and
- (b) a transfer to a registered provider of securities of a wholly-owned subsidiary to which there has been a transfer within paragraph (a).

(5) In subsection (4) “wholly-owned subsidiary” has the meaning given by section 1159 of the Companies Act 2006.

(6) The objective of a housing administration may be achieved by relevant transfers to the extent only that—

- (a) the rescue as a going concern of the registered provider is not reasonably practicable or is not reasonably practicable without the transfers,
- (b) the rescue of the registered provider as a going concern would not achieve the objective of the housing administration or would not do so without the transfers,
- (c) the transfers would produce a result for the registered provider’s creditors as a whole that is better than the result that would be produced without them, or
- (d) the transfers would, without prejudicing the interests of the registered provider’s creditors as a whole, produce a result for the registered provider’s members as a whole that is better than the result that would be produced without them.

(7) In the case of a charitable incorporated organisation, the reference in subsection (6)(d) to the registered provider’s members is to be read as a reference to the charitable incorporated organisation.

(8) For the purposes of subsection (1)(a) social housing remains in the regulated housing sector for so long as it is owned by a private registered provider.” —(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 10

APPLICATIONS FOR HOUSING ADMINISTRATION ORDERS

“(1) An application for a housing administration order may be made only—

- (a) by the Secretary of State, or
- (b) with the consent of the Secretary of State, by the Regulator of Social Housing.

(2) The applicant for a housing administration order in relation to a registered provider must give notice of the application to—

- (a) every person who has appointed an administrative receiver of the provider,
- (b) every person who is or may be entitled to appoint an administrative receiver of the registered provider, every person who is or may be entitled to make an appointment in relation to the registered provider under paragraph 14 of Schedule B1 to the Insolvency Act 1986 (appointment of administrators by holders of floating charges), and
- (c) any other persons specified by housing administration rules.

(3) The notice must be given as soon as possible after the making of the application.

(4) In this section “administrative receiver” means—

- (a) an administrative receiver within the meaning given by section 251 of the Insolvency Act 1986 for the purposes of Parts 1 to 7 of that Act, or in relation to a foreign company, a person whose functions are equivalent to those of an administrative receiver and relate only to its UK affairs, business and property.”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 11

POWERS OF COURT

“(1) On hearing an application for a housing administration order, the court has the following powers—

- (a) it may make the order,
- (b) it may dismiss the application,
- (c) it may adjourn the hearing conditionally or unconditionally,
- (d) it may make an interim order,
- (e) it may treat the application as a winding-up petition and make any order the court could make under section 125 of the Insolvency Act 1986 (power of court on hearing winding-up petition), and
- (f) it may make any other order which it thinks appropriate.

(2) The court may make a housing administration order in relation to a registered provider only if it is satisfied—

- (a) that the registered provider is unable, or is likely to be unable, to pay its debts, or
- (b) that, on a petition by the Secretary of State under section 124A of the Insolvency Act 1986, it would be just and equitable (disregarding the objective of the housing administration) to wind up the registered provider in the public interest.

(3) The court may not make a housing administration order on the ground set out in subsection (2)(b) unless the Secretary of State has certified to the court that the case is one in which the Secretary of State considers (disregarding the objective of the housing administration) that it would be appropriate to petition under section 124A of the Insolvency Act 1986.

(4) The court has no power to make a housing administration order in relation to a registered provider which—

- (a) is in administration under Schedule B1 to the Insolvency Act 1986, or
- (b) has gone into liquidation (within the meaning of section 247(2) of the Insolvency Act 1986).

(5) A housing administration order comes into force—

- (a) at the time appointed by the court, or
- (b) if no time is appointed by the court, when the order is made.

(6) An interim order under subsection (1)(d) may, in particular—

- (a) restrict the exercise of a power of the registered provider or of its relevant officers, or
- (b) make provision conferring a discretion on a person qualified to act as an insolvency practitioner in relation to the registered provider.

(7) In subsection (6)(a) “relevant officer”—

- (a) in relation to a company, means a director,
- (b) in relation to a registered society, means a member of the management committee or other directing body of the society, and
- (c) in relation to a charitable incorporated organisation, means a charity trustee (as defined by section 177 of the Charities Act 2011).

(8) In the case of a foreign company, subsection (6)(a) is to be read as a reference to restricting the exercise of a power of the registered provider or of its directors—

- (a) within the United Kingdom, or
- (b) in relation to the company’s UK affairs, business or property.

(9) For the purposes of this section a registered provider is unable to pay its debts if—

- (a) it is deemed to be unable to pay its debts under section 123 of the Insolvency Act 1986, or
- (b) it is an unregistered company which is deemed, as a result of any of sections 222 to 224 of the Insolvency Act 1986, to be so unable for the purposes of section 221 of that Act, or which would be so deemed if it were an unregistered company for the purposes of those sections.” —(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 12

HOUSING ADMINISTRATORS

“(1) The housing administrator of a registered provider—

- (a) is an officer of the court, and
- (b) in carrying out functions in relation to the registered provider, is the registered provider’s agent.

(2) The management by the housing administrator of a registered provider of any of its affairs, business or property must be carried out for the purpose of achieving the objective of the housing administration as quickly and as efficiently as is reasonably practicable.

(3) The housing administrator of a registered provider must carry out functions in the way which, so far as it is consistent with the objective of the housing administration to do so, best protects—

- (a) the interests of the registered provider’s creditors as a whole, and
- (b) subject to those interests, the interests of the registered provider’s members as a whole.

(4) In the case of a charitable incorporated organisation, the reference in subsection (3)(b) to the interests of members is to the interests of the charitable incorporated organisation.

(5) A person is not to be the housing administrator of a registered provider unless qualified to act as an insolvency practitioner in relation to the registered provider.

(6) If the court appoints two or more persons as the housing administrator of a registered provider, the appointment must set out—

- (a) which (if any) of the functions of a housing administrator are to be carried out only by the appointees acting jointly,
- (b) the circumstances (if any) in which functions of a housing administrator are functions of one of the appointees, or by particular appointees, acting alone, and
- (c) the circumstances (if any) in which things done in relation to one of the appointees, or in relation to particular appointees, are to be treated as done in relation to all of them.” —(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 13

CONDUCT OF ADMINISTRATION ETC

“(1) Schedule (Conduct of housing administration: companies) contains provision applying the provisions of Schedule B1 to the Insolvency Act 1986, and certain other legislation, to housing administration orders in relation to companies.

(2) The Secretary of State may by regulations provide for any provision of Schedule B1 to the Insolvency Act 1986 or any other insolvency legislation to apply, with or without modifications, to cases where a housing administration order is made in relation to a registered society or a charitable incorporated organisation.

(3) The Secretary of State may by regulations modify any insolvency legislation as it applies in relation to a registered society or a charitable incorporated organisation if the Secretary State considers the modifications are appropriate in connection with any provision made by or under this Chapter.

(4) In subsection (3) “insolvency legislation” means—

- (a) the Insolvency Act 1986, or
- (b) any other legislation (whenever passed or made) that relates to insolvency or makes provision by reference to anything that is or may be done under the Insolvency Act 1986.

(5) The power to make rules under section 411 of the Insolvency Act 1986 is to apply for the purpose of giving effect to this Chapter as it applies for the purpose of giving effect to Parts 1 to 7 of that Act (and, accordingly, as if references in that section to those Parts included references to this Chapter).

(6) Section 413(2) of the Insolvency Act 1986 (duty to consult Insolvency Rules Committee about rules) does not apply to rules made under section 411 of that Act as a result of this section.” —(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 14

WINDING-UP ORDERS

“(1) This section applies if a person other than the Secretary of State petitions for the winding-up of a registered provider that is—

- (a) a company,
- (b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
- (c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) the court may not exercise its powers on a winding-up petition unless—If an application for a housing administration order in relation to the registered provider is made to the court in accordance with section (Applications for housing administration orders) before a winding-up order is made on the petition, the court may exercise its powers under section (Powers of court) (instead of exercising its powers on the petition).

(a) notice of the petition has been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since that notice was given.

(3) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (2)(a).

(4) References in this section to the court's powers on a winding-up petition are to—

(a) its powers under section 125 of the Insolvency Act 1986 (other than its power of adjournment), and

(b) its powers under section 135 of the Insolvency Act 1986.”—(*Mr Marcus Jones.*)

See Member's explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 15

VOLUNTARY WINDING UP

“(1) This section applies to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) The registered provider has no power to pass a resolution for voluntary winding up without the permission of the court.

(3) Permission may be granted by the court only on an application made by the registered provider.

(4) The court may not grant permission unless—

(a) notice of the application has been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since that notice was given.

(5) If an application for a housing administration order in relation to the registered provider is made to the court in accordance with section (Applications for housing administration orders) after an application for permission under this section has been made and before it is granted, the court may exercise its powers under section (Powers of court).

(6) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (4)(a).

(7) In this section “a resolution for voluntary winding up” has the same meaning as in the Insolvency Act 1986.”—(*Mr Marcus Jones.*)

See Member's explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 16

MAKING OF ORDINARY ADMINISTRATION ORDERS

“(1) This section applies if a person other than the Secretary of State makes an ordinary administration application in relation to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) The court must dismiss the application if—

(a) a housing administration order is in force in relation to the registered provider, or

(b) a housing administration order has been made in relation to the registered provider but is not yet in force.

(3) If subsection (2) does not apply, the court, on hearing the application, must not exercise its powers under paragraph 13 of Schedule B1 to the Insolvency Act 1986 (other than its power of adjournment) unless—

(a) notice of the application has been given to the Regulator of Social Housing,

(b) a period of at least 28 days has elapsed since that notice was given, and

(c) there is no application for a housing administration order which is outstanding.

(4) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (3)(a).

(5) Paragraph 44 of Schedule B1 to the Insolvency Act 1986 (interim moratorium) does not prevent, or require the permission of the court for, the making of an application for a housing administration order.

(6) On the making of a housing administration order in relation to a registered provider, the court must dismiss any ordinary administration application made in relation to the registered provider which is outstanding.

(7) In this section “ordinary administration application” means an application in accordance with paragraph 12 of Schedule B1 to the Insolvency Act 1986.”—(*Mr Marcus Jones.*)

See Member's explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 17

ADMINISTRATOR APPOINTMENTS BY CREDITORS

“(1) Subsections (2) to (4) make provision about appointments under paragraph 14 or 22 of Schedule B1 to the Insolvency Act 1986 (powers to appoint administrators) in relation to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) If in any case—

(a) a housing administration order is in force in relation to the registered provider,

(b) a housing administration order has been made in relation to the registered provider but is not yet in force, or

(c) an application for a housing administration order in relation to the registered provider is outstanding,

a person may not take any step to make an appointment.

(3) In any other case, an appointment takes effect only if each of the following conditions are met.

(4) The conditions are—

(a) that notice of the appointment has been given to the Regulator of Social Housing, accompanied by a copy of every document in relation to the appointment that is filed or lodged with the court in accordance with paragraph 18 or 29 of Schedule B1 to the Insolvency Act 1986,

(b) that a period of 28 days has elapsed since that notice was given,

- (c) that there is no outstanding application to the court for a housing administration order in relation to the registered provider, and
- (d) that the making of an application for a housing administration order in relation to the registered provider has not resulted in the making of a housing administration order which is in force or is still to come into force.

(5) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (4)(a) (and a copy of the accompanying documents).

(6) Paragraph 44 of Schedule B1 to the Insolvency Act 1986 (interim moratorium) does not prevent, or require the permission of the court for, the making of an application for a housing administration order at any time before the appointment takes effect.”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 18

ENFORCEMENT OF SECURITY

“(1) This section applies in relation to a private registered provider that is—

- (a) a company,
- (b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
- (c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011

(2) A person may not take any step to enforce a security over property of the registered provider unless—

- (a) notice of the intention to do so as been given to the Regulator of Social Housing, and
- (b) a period of at least 28 days has elapsed since the notice was given.

(3) In the case of a company which is a foreign company, the reference to the property of the company is to its property in the United Kingdom.

(4) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (2)(a).”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 19

GRANTS AND LOANS WHERE HOUSING ADMINISTRATION ORDER IS MADE

“(1) If a housing administration order has been made in relation to a registered provider, the Secretary of State may make grants or loans to the registered provider of such amounts as appear to the Secretary of State appropriate for achieving the objective of the housing administration.

(2) A grant under this section may be made on any terms and conditions the Secretary of State considers appropriate (including provision for repayment, with or without interest).”—(*Mr Marcus Jones*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 20

INDEMNITIES WHERE HOUSING ADMINISTRATION ORDER IS MADE

“(1) If a housing administration order has been made in relation to a registered provider, the Secretary of State may agree to indemnify persons in respect of one or both of the following—

- (a) liabilities incurred in connection with the carrying out of functions by the housing administrator, and
- (b) loss or damage sustained in that connection.

(2) The agreement may be made in whatever manner, and on whatever terms, the Secretary of State considers appropriate.

(3) As soon as practicable after agreeing to indemnify persons under this section, the Secretary of State must lay a statement of the agreement before Parliament.

(4) For repayment of sums paid by the Secretary of State in consequence of an indemnity agreed to under this section, see section (Indemnities: repayment by registered provider etc).

(5) The power of the Secretary of State to agree to indemnify persons—

- (a) is confined to a power to agree to indemnify persons in respect of liabilities, loss and damage incurred or sustained by them as relevant persons, but
- (b) includes power to agree to indemnify persons (whether or not they are identified or identifiable at the time of the agreement) who subsequently become relevant persons.

(6) The following are relevant persons for the purposes of this section—

- (a) the housing administrator,
- (b) an employee of the housing administrator,
- (c) a partner or employee of a firm of which the housing administrator is a partner,
- (d) a partner or employee of a firm of which the housing administrator is an employee,
- (e) a partner of a firm of which the housing administrator was an employee or partner at a time when the order was in force,
- (f) a body corporate which is the employer of the housing administrator,
- (g) an officer, employee or member of such a body corporate, and
- (h) a Scottish firm which is the employer of the housing administrator or of which the housing administrator is a partner.

(7) For the purposes of subsection (6)—

- (a) references to the housing administrator are to be read, where two or more persons are appointed as the housing administrator, as references to any one or more of them, and
- (b) references to a firm of which a person was a partner or employee at a particular time include a firm which holds itself out to be the successor of a firm of which the person was a partner or employee at that time.”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 21

INDEMNITIES: REPAYMENT BY REGISTERED PROVIDER ETC

“(1) This section applies where a sum is paid out by the Secretary of State in consequence of an indemnity agreed to under section (Indemnities where housing administration order is made) in relation to the housing administrator of a registered provider.

- (2) The registered provider must pay the Secretary of State—
- such amounts in or towards the repayment to the Secretary of State of that sum as the Secretary of State may direct, and
 - interest on amounts outstanding under this subsection at such rates as the Secretary of State may direct.
- (3) The payments must be made by the registered provider at such times and in such manner as the Secretary of State may determine.
- (4) Subsection (2) does not apply in the case of a sum paid by the Secretary of State for indemnifying a person in respect of a liability to the registered provider.
- (5) The Secretary of State must lay before Parliament a statement, relating to the sum paid out in consequence of the indemnity—
- as soon as practicable after the end of the financial year in which the sum is paid out, and
 - if subsection (2) applies to the sum, as soon as practicable after the end of each subsequent financial year in relation to which the repayment condition has not been met.
- (6) The repayment condition is met in relation to a financial year if—
- the whole of the sum has been repaid to the Secretary of State before the beginning of the year, and
 - the registered provider was not at any time during the year liable to pay interest on amounts that became due in respect of the sum.” (Mr Marcus Jones.)

See Member's explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 22

GUARANTEES WHERE HOUSING ADMINISTRATION ORDER IS MADE

- “(1) If a housing administration order has been made in relation to a registered provider the Secretary of State may guarantee—
- the repayment of any sum borrowed by the registered provider while that order is in force,
 - the payment of interest on any sum borrowed by the registered provider while that order is in force, and
 - the discharge of any other financial obligation of the registered provider in connection with the borrowing of any sum while that order is in force.
- (2) The Secretary of State may give the guarantees in whatever manner, and on whatever terms, the Secretary of State considers appropriate.
- (3) As soon as practicable after giving a guarantee under this section, the Secretary of State must lay a statement of the guarantee before Parliament.
- (4) For repayment of sums paid by the Secretary of State under a guarantee given under this section, see section (Guarantees: repayment by registered provider etc).”— (Mr Marcus Jones.)

See Member's explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 23

GUARANTEES: REPAYMENT BY REGISTERED PROVIDER ETC

- “(1) This section applies where a sum is paid out by the Secretary of State under a guarantee given by the Secretary of State under section (Guarantees where housing administration order is made) in relation to a registered provider.

- (2) The registered provider must pay the Secretary of State—
- such amounts in or towards the repayment to the Secretary of State of that sum as the Secretary of State may direct, and
 - interest on amounts outstanding under this subsection at such rates as the Secretary of State may direct.
- (3) The payments must be made by the registered provider at such times, and in such manner, as the Secretary of State may from time to time direct.
- (4) The Secretary of State must lay before Parliament a statement, relating to the sum paid out under the guarantee—
- as soon as practicable after the end of the financial year in which the sum is paid out, and
 - as soon as practicable after the end of each subsequent financial year in relation to which the repayment condition has not been met.
- (5) The repayment condition is met in relation to a financial year if—
- the whole of the sum has been repaid to the Secretary of State before the beginning of the year, and
 - the registered provider was not at any time during the year liable to pay interest on amounts that became due in respect of the sum.” (Mr Marcus Jones.)

See Member's explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 24

MODIFICATION OF THIS CHAPTER UNDER THE ENTERPRISE ACT 2002

- “(1) The power to modify or apply enactments conferred on the Secretary of State by each of the sections of the Enterprise Act 2002 mentioned in subsection (2) includes power to make such consequential modifications of this Chapter as the Secretary of State considers appropriate in connection with any other provision made under that section.
- (2) Those sections are—
- sections 248 and 277 of the Enterprise Act 2002 (amendments consequential on that Act), and
 - section 254 of the Enterprise Act 2002 (power to apply insolvency law to foreign companies).”— (Mr Marcus Jones.)

See Member's explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 25

REGISTERED SOCIETIES: ORDINARY ADMINISTRATION PROCEDURE ETC

In section 118 of the Co-operative and Community Benefit Societies Act 2014 (power to apply provisions about company arrangements and administration to registered societies, subject to exception in subsection (3)(a) for registered providers), in subsection (3), omit paragraph (a).”— (Mr Marcus Jones.)

Section 118 of the Co-operative and Community Benefit Societies Act 2014 confers an order-making power to apply legislation about company arrangements and administration in relation to registered societies other than registered providers of social housing. This new Clause removes the exclusion in relation to registered providers of social housing.

Brought up, read the First and Second time, and added to the Bill.

New Clause 26

AMENDMENTS TO HOUSING MORATORIUM AND CONSEQUENTIAL AMENDMENTS

Schedule (Amendments to housing moratorium and consequential amendments) contains amendments to do with this Chapter.”—(*Mr Marcus Jones.*)

Brought up, read the First and Second time, and added to the Bill.

New Clause 27

INTERPRETATION OF CHAPTER

“(1) In this Chapter— In this Chapter references to the housing administrator of a registered provider—

“business”, “member”, “property” and “security” have the same meaning as in the Insolvency Act 1986;

“charitable incorporated organisation” means a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011;

“company” means—

(a) a company registered under the Companies Act 2006, or

(b) an unregistered company;

“the court”, in relation to a company or registered society, means the court having jurisdiction to wind up the company or registered society;

“foreign company” means a company incorporated outside the United Kingdom;

“housing administration order” has the meaning given by section (Housing administration order);

“housing administration rules” means rules made under section 411 of the Insolvency Act 1986 as a result of section (Conduct of housing administration) above;

“housing administrator” has the meaning given by section (Housing administration order) and is to be read in accordance with subsection (3) below;

“financial year” means a period of 12 months ending with 31 March;

“legislation” includes provision made by or under—

(a) an Act,

(b) an Act of the Scottish Parliament,

(c) Northern Ireland legislation, or

(d) a Measure or Act of the National assembly for Wales

“objective of the housing administration” is to be read in accordance with section (Objective of a housing administration);

“private registered provider” means a private registered provider of social housing (see section 80 of the Housing and Regeneration Act 2008);

“registered provider” means a registered provider of social housing (see section 80 of the Housing and Regeneration Act 2008);

“registered society” has the same meaning as in the Co-operative and Community Benefit Societies Act 2014;

“Regulator of Social Housing” has the meaning given by section 92A of the Housing and Regeneration Act 2008;

“Scottish firm” means a firm constituted under the law of Scotland;

“UK affairs, business and property”, in relation to a company, means—

(a) its affairs and business so far as carried on in the United Kingdom, and

(b) its property in the United Kingdom;

“unregistered company” means a company that is not registered under the Companies Act 2006.

(a) include a person appointed under paragraph 91 or 103 of Schedule B1 to the Insolvency Act 1986, as applied by Part 1 of Schedule (Conduct of housing administration) to this Act or regulations under section (Conduct of housing administration etc), to be the housing administrator of the registered provider, and

(b) if two or more persons are appointed as the housing administrator of the registered provider, are to be read in accordance with the provision made under section (Housing administrators).

(2) References in this Chapter to a person qualified to act as an insolvency practitioner in relation to a registered provider are to be read in accordance with Part 13 of the Insolvency Act 1986, but as if references in that Part to a company included a company registered under the Companies Act 2006 in Northern Ireland.

(3) For the purposes of this Chapter an application made to the court is outstanding if it—

(a) has not yet been granted or dismissed, and

(b) has not been withdrawn.

(4) An application is not to be taken as having been dismissed if an appeal against the dismissal of the application, or a subsequent appeal, is pending.

(5) An appeal is to be treated as pending for this purpose if—

(a) an appeal has been brought and has not been determined or withdrawn,

(b) an application for permission to appeal has been made but has not been determined or withdrawn, or

(c) no appeal has been brought and the period for bringing one is still running.

(6) References in this Chapter to a provision of the Insolvency Act 1986 (except the references in subsection (2) above)—

(a) in relation to a company, are to that provision without the modifications made by Part 1 of Schedule (Conduct of housing administration etc) to this Act,

(b) in relation to a registered society, are to that provision as it applies to registered societies otherwise than by virtue of regulations under section (Conduct of housing administration etc) (if at all), and

(c) in relation to a charitable incorporated organisation, are to that provision as it applies to charitable incorporated organisations otherwise than by virtue of regulations under section (Conduct of housing administration etc) (if at all).”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 28

APPLICATION OF PART TO NORTHERN IRELAND

“(1) This section makes provision about the application of this Chapter to Northern Ireland.

(2) Any reference to any provision of the Insolvency Act 1986 is to have effect as a reference to the corresponding provision of the Insolvency (Northern Ireland) Order 1989.

(3) Section (Interpretation of Part)(3) is to have effect as if the reference to Northern Ireland were to England and Wales or Scotland.”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Schedule 2

CONDUCT OF HOUSING ADMINISTRATION: COMPANIES

PART 1

MODIFICATIONS OF SCHEDULE B1 TO THE INSOLVENCY ACT 1981

Introductory

1 (1) The applicable provisions of Schedule B1 to the Insolvency Act 1986 are to have effect in relation to a housing administration order that applies to a company as they have effect in relation to an administration order under that Schedule applies to a company, but with the modifications set out in this Part of this Schedule.

(2) The applicable provisions of Schedule B1 to the Insolvency Act 1986 are—

- (a) paragraphs 1, 40 to 49, 54, 59 to 68, 70 to 75, 79, 83 to 91, 98 to 107, 109 to 111 and 112 to 116, and
- (b) paragraph 50 (until the repeal of that paragraph by Schedule 10 to the Small Business, Enterprise and Employment Act 2015 comes into force).

General modifications of the applicable provisions

2 Those paragraphs are to have effect as if—

- (a) for “administration application”, in each place, there were substituted “housing administration application”,
- (b) for “administration order”, in each place, there were substituted “housing administration order”,
- (c) for “administrator”, in each place, there were substituted “housing administrator”,
- (d) for “enters administration”, in each place, there were substituted “enters housing administration”,
- (e) for “in administration”, in each place, there were substituted “in housing administration”, and
- (f) for “purpose of administration”, in each place (other than in paragraph 111(1)), there were substituted “objective of the housing administration”.

Specific modifications

3 Paragraph 1 (administration) is to have effect as if—

- (a) for sub-paragraph (1) there were substituted—

“(1) In this Schedule “housing administrator”, in relation to a company, means a person appointed by the court for the purposes of a housing administration order to manage its affairs, business and property.”, and

- (b) in sub-paragraph (2), for “Act” there were substituted “Schedule”.

4 Paragraph 40 (dismissal of pending winding-up petition) is to have effect as if sub-paragraphs (1)(b), (2) and (3) were omitted.

5 Paragraph 42 (moratorium on insolvency proceedings) is to have effect as if sub-paragraphs (4) and (5) were omitted.

6 Paragraph 44 (interim moratorium) is to have effect as if sub-paragraphs (2) to (4), (6) and (7)(a) to (c) were omitted.

7 Paragraph 46(6) (date for notifying administrator’s appointment) is to have effect as if for paragraphs (a) to (c) there were substituted “the date on which the housing administration order comes into force”.

8 Paragraph 49 (administrator’s proposals) is to have effect as if—

(a) in sub-paragraph (2)(b) for “objective mentioned in paragraph 3(1)(a) or (b) cannot be achieved” there were substituted “objective of the housing administration should be achieved by means other than just a rescue of the company as a going concern”, and

(b) in sub-paragraph (4), after paragraph (a) there were inserted—

“(aa) to the Secretary of State and the Regulator of Social Housing.”.

9 Paragraph 54 is to have effect as if the following were substituted for it—

“54 (1) The housing administrator of a company may on one or more occasions revise the proposals included in the statement made under paragraph 49 in relation to the company.

(2) If the housing administrator thinks that a revision is substantial, the housing administrator must send a copy of the revised proposals—

- (a) to the registrar of companies,
- (b) to the Secretary of State and the Regulator of Social Housing,
- (c) to every creditor of the company, other than an opted-out creditor, of whose claim and address the housing administrator is aware, and
- (d) to every member of the company of whose address the housing administrator is aware.

(3) A copy sent in accordance with sub-paragraph (2) must be sent within the prescribed period.

(4) The housing administrator is to be taken to have complied with sub-paragraph (2)(d) if the housing administrator publishes, in the prescribed manner, a notice undertaking to provide a copy of the revised proposals free of charge to any member of the company who applies in writing to a specified address.

(5) A housing administrator who fails without reasonable excuse to comply with this paragraph commits an offence.”

10 Paragraph 60 (powers of an administrator) has effect as if after that sub-paragraph (2) there were inserted—

“(3) The housing administrator of a company has the power to act on behalf of the company for the purposes of provision contained in any legislation which confers a power on the company or imposes a duty on it.

(4) In sub-paragraph (2) “legislation” has the same meaning as in the Chapter 3A of Part 4 of the Housing and Planning Act 2015.”

11 Paragraph 68 (management duties of an administrator) is to have effect as if—

- (a) in sub-paragraph (1), for paragraphs (a) to (c) there were substituted “the proposals as—

- (a) set out in the statement made under paragraph 49 in relation to the company, and

- (b) from time to time revised under paragraph 54,

for achieving the objective of the housing administration.”, and

- (b) in sub-paragraph (3), for paragraphs (a) to (d) there were substituted “the directions are consistent with the achievement of the objective of the housing administration”.

12 Paragraph 73(3) (protection for secured or preferential creditor) is to have effect as if for “or modified” there were substituted “under paragraph 54”.

13 Paragraph 74 (challenge to administrator’s conduct) is to have effect as if—

- (a) for sub-paragraph (2) there were substituted—

“(2) If a company is in housing administration, a person mentioned in sub-paragraph (2A) may apply to the court claiming that the housing administrator is acting in a manner preventing the achievement of the objective of the housing administration as quickly and efficiently as is reasonably practicable.

(2A) The persons who may apply to the court are—

- (a) the Secretary of State;
- (b) with the consent of the Secretary of State, the Regulator of Social Housing;
- (c) a creditor or member of the company.”,

- (b) in sub-paragraph (6)—
 - (i) at the end of paragraph (b) there were inserted “or”, and
 - (ii) paragraph (c) (and the “or” before it) were omitted, and
- (c) after that sub-paragraph there were inserted—

“(7) In the case of a claim made otherwise than by the Secretary of State or the Regulator of Social Housing, the court may grant a remedy or relief or make an order under this paragraph only if it has given the Secretary of State or the Regulator a reasonable opportunity of making representations about the claim and the proposed remedy, relief or order.

(8) The court may grant a remedy or relief or make an order on an application under this paragraph only if it is satisfied, in relation to the matters that are the subject of the application, that the housing administrator—

- (a) is acting,
- (b) has acted, or
- (c) is proposing to act,

in a way that is inconsistent with the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable.

(9) Before the making of an order of the kind mentioned in sub-paragraph (4)(d)—

- (a) the court must notify the housing administrator of the proposed order and of a period during which the housing administrator is to have the opportunity of taking steps falling within sub-paragraphs (10) to (12), and
- (b) the period notified must have expired without the taking of such of those steps as the court thinks should have been taken,

and that period must be a reasonable period.

(10) In the case of a claim under sub-paragraph (1)(a), the steps referred to in sub-paragraph (9) are—

- (a) ceasing to act in a manner that unfairly harms the interests to which the claim relates,
- (b) remedying any harm unfairly caused to those interests, and
- (c) steps for ensuring that there is no repetition of conduct unfairly causing harm to those interests.

(11) In the case of a claim under sub-paragraph (1)(b), the steps referred to in sub-paragraph (9) are steps for ensuring that the interests to which the claim relates are not unfairly harmed.

(12) In the case of a claim under sub-paragraph (2), the steps referred to in sub-paragraph (9) are—

- (a) ceasing to act in a manner preventing the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable,
- (b) remedying the consequences of the housing administrator having acted in such a manner, and
- (c) steps for ensuring that there is no repetition of conduct preventing the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable.”

14 Paragraph 75(2) (misfeasance) is to have effect as if after paragraph (b) there were inserted—

“(ba) a person appointed as an administrator of the company under the provisions of this Act, as they have effect in relation to administrators other than housing administrators.”.

15 Paragraph 79 (end of administration) is to have effect as if—

- (a) for sub-paragraphs (1) and (2) there were substituted—

“(1) On an application made by a person mentioned in sub-paragraph (2), the court may provide for the appointment of a housing administrator of a company to cease to have effect from a specified time.

(2) An application may be made to the court under this paragraph—

- (a) by the Secretary of State,

(b) with the consent of the Secretary of State, by the Regulator of Social Housing, or

(c) with the consent of the Secretary of State, by the housing administrator.”, and

- (b) sub-paragraph (3) were omitted.

16 Paragraph 83(3) (notice to registrar when moving to voluntary liquidation) is to have effect as if after “may” there were inserted “, with the consent of the Secretary of State or of the Regulator of Social Housing.”.

17 Paragraph 84 (notice to registrar when moving to dissolution) is to have effect as if—

(a) in sub-paragraph (1), for “to the registrar of companies” there were substituted—

(a) to the Secretary of State and the Regulator of Social Housing, and

(b) if directed to do so by either the Secretary of State or the Regulator of Social Housing, to the registrar of companies.”,

- (b) sub-paragraph (2) were omitted, and

(c) in sub-paragraphs (3) to (6), for “(1)”, in each place, there were substituted “(1)(b)”.

18 Paragraph 87(2) (resignation of administrator) is to have effect as if for paragraphs (a) to (d) there were substituted “by notice in writing to the court”.

19 Paragraph 89(2) (administrator ceasing to be qualified) is to have effect as if for paragraphs (a) to (d) there were substituted “to the court”.

20 Paragraph 90 (filling vacancy in office of administrator) is to have effect as if for “Paragraphs 91 to 95 apply” there were substituted “Paragraph 91 applies”.

21 Paragraph 91 (vacancies in court appointments) is to have effect as if—

- (a) for sub-paragraph (1) there were substituted—

“(1) The court may replace the housing administrator on an application made—

- (a) by the Secretary of State,

(b) with the consent of the Secretary of State, by the Regulator of Social Housing, or

(c) where more than one person was appointed to act jointly as the housing administrator, by any of those persons who remains in office.”

- (b) sub-paragraph (2) were omitted.

22 Paragraph 98 (discharge from liability on vacation of office) is to have effect as if sub-paragraphs (2)(b) and (ba), (3) and (3A) were omitted.

23 Paragraph 99 (charges and liabilities upon vacation of office by administrator) is to have effect as if—

(a) in sub-paragraph (4), for the words from the beginning to “cessation”, in the first place, there were substituted “A sum falling within sub-paragraph (4A)”.

- (b) after that sub-paragraph there were inserted—

“(4A) A sum falls within this sub-paragraph if it is—

(a) a sum payable in respect of a debt or other liability arising out of a contract that was entered into before cessation by the former housing administrator or a predecessor,

(b) a sum that must be repaid by the company in respect of a grant that was made under section (Grants and loans where housing administration order is made) of the Housing and Planning Act 2015 before cessation,

(c) a sum that must be repaid by the company in respect of a loan made under that section before cessation or that must be paid by the company in respect of interest payable on such a loan,

(d) a sum payable by the company under section (Indemnities: repayment by registered provider etc) of that Act in respect of an agreement to indemnify made before cessation, or

(e) a sum payable by the company under section (Guarantees: repayment by registered provider etc) of that Act in respect of a guarantee given before cessation.”, and

(c) in sub-paragraph (5), for “(4)” there were substituted “(4A)(a)”.

24 Paragraph 100 (joint and concurrent administrators) is to have effect as if sub-paragraph (2) were omitted.

25 Paragraph 101(3) (joint administrators) is to have effect as if after “87 to” there were inserted “91, 98 and”.

26 Paragraph 103 (appointment of additional administrators) is to have effect as if—

(a) in sub-paragraph (2) the words from the beginning to “order” were omitted and for paragraph (a) there were substituted—

(a) the Secretary of State,

(aa) the Regulator of Social Housing, or”,

(b) after that sub-paragraph there were inserted—

“(2A) The consent of the Secretary of State is required for an application by the Regulator of Social Housing for the purposes of sub-paragraph (2).”, and

(c) sub-paragraphs (3) to (5) were omitted.

27 Paragraph 106(2) (penalties) is to have effect as if paragraphs (a), (b), (f), (g), (i) and (l) to (n) were omitted.

28 Paragraph 109 (references to extended periods) is to have effect as if “or 108” were omitted.

29 Paragraph 111 (interpretation) is to have effect as if—

(a) in sub-paragraph (1), the definitions of “correspondence”, “holder of a qualifying floating charge”, “the purpose of administration” and “unable to pay its debts” were omitted,

(b) in that sub-paragraph, at the appropriate places were inserted—

““company” and “court” have the same meaning as in Chapter 3A of Part 4 of the Housing and Planning Act 2015.”,

““housing administration application” means an application to the court for a housing administration order under Chapter 3A of Part 4 of the Housing and Planning Act 2015.”,

““housing administration order” has the same meaning as in Chapter 3A of Part 4 of the Housing and Planning Act 2015.”,

““objective”, in relation to a housing administration, is to be read in accordance with section (Objective of housing administration) of the Housing and Planning Act 2015.”, and

““prescribed” means prescribed by housing administration rules within the meaning of Chapter 3A of Part 4 of the Housing and Planning Act 2015.”,

(c) sub-paragraphs (1A) and (1B) were omitted, and

(d) after sub-paragraph (3) there were inserted—

“(4) For the purposes of this Schedule a reference to a housing administration order includes a reference to an appointment under paragraph 91 or 103.”

PART 2

FURTHER MODIFICATIONS OF SCHEDULE B1 TO INSOLVENCY ACT 1986: FOREIGN COMPANIES

Introductory

30 (1) This Part of this Schedule applies in the case of a housing administration order applying to a foreign company.

(2) The provisions of Schedule B1 to the Insolvency Act 1986 mentioned in paragraph 1 above (as modified by Part 1 of this Schedule) have effect in relation to the company with the further modifications set out in this Part of this Schedule.

(3) The Secretary of State may by regulations amend this Part of this Schedule so as to add more modifications.

31 In paragraphs 32 to 37—

(a) the provisions of Schedule B1 to the Insolvency Act 1986 that are mentioned in paragraph 1 above are referred to as the applicable provisions, and

(b) references to those provisions, or to provisions comprised in them, are references to those provisions as modified by Part 1 of this Schedule.

Modifications

32 In the case of a foreign company—

(a) paragraphs 42(2), 83 and 84 of Schedule B1 to the Insolvency Act 1986 do not apply,

(b) paragraphs 46(4), 49(4)(a), 54(2)(a), 71(5) and (6), 72(4) and (5) and 86 of that Schedule apply only if the company is subject to a requirement imposed by regulations under section 1043 or 1046 of the Companies Act 2006 (unregistered UK companies or overseas companies), and

(c) paragraph 61 of that Schedule does not apply.

33 (1) The applicable provisions and Schedule 1 to the Insolvency Act 1986 (as applied by paragraph 60(1) of Schedule B1 to that Act) are to be read by reference to the limitation imposed on the scope of the housing administration order in question as a result of section (Housing administration order)(4) above.

(2) Sub-paragraph (1) has effect, in particular, so that—

(a) a power conferred, or duty imposed, on the housing administrator by or under the applicable provisions or Schedule 1 to the Insolvency Act 1986 is to be read as being conferred or imposed in relation to the company’s UK affairs, business and property,

(b) references to the company’s affairs, business or property are to be read as references to its UK affairs, business and property,

(c) references to goods in the company’s possession are to be read as references to goods in its possession in the United Kingdom,

(d) references to premises let to the company are to be read as references to premises let to it in the United Kingdom, and

(e) references to legal process instituted or continued against the company or its property are to be read as references to such legal process relating to its UK affairs, business and property.

34 Paragraph 41 of Schedule B1 to the Insolvency Act 1986 (dismissal of receivers) is to have effect as if—

(a) for sub-paragraph (1) there were substituted—

“(1) Where a housing administration order takes effect in respect of a company—

(a) a person appointed to perform functions equivalent to those of an administrative receiver, and

(b) if the housing administrator so requires, a person appointed to perform functions equivalent to those of a receiver,

must refrain, during the period specified in sub-paragraph (1A), from performing those functions in the United Kingdom or in relation to any of the company’s property in the United Kingdom.

(1A) That period is—

(a) in the case of a person mentioned in sub-paragraph (1)(a), the period while the company is in housing administration, and

(b) in the case of a person mentioned in sub-paragraph (1)(b), during so much of that period as is after the date on which the person is required by the housing administrator to refrain from performing functions.”, and

(b) sub-paragraphs (2) to (4) were omitted.

35 Paragraph 43(6A) of Schedule B1 to the Insolvency Act 1986 (moratorium on appointment to receiverships) is to have effect as if for “An administrative receiver” there were substituted “A person with functions equivalent to those of an administrative receiver”.

36 Paragraph 44(7) of Schedule B1 to the Insolvency Act 1986 (proceedings to which interim moratorium does not apply) is to have effect as if for paragraph (d) there were substituted—

- (d) the carrying out of functions by a person who (whenever appointed) has functions equivalent to those of an administrative receiver of the company.”

37 Paragraph 64 of Schedule B1 to the Insolvency Act 1986 (general powers of administrator) is to have effect as if—

- (a) in sub-paragraph (1), after “power” there were inserted “in relation to the affairs or business of the company so far as carried on in the United Kingdom or to its property in the United Kingdom”, and
- (b) in sub-paragraph (2)(b), after “instrument” there were inserted “or by the law of the place where the company is incorporated”.

PART 3

OTHER MODIFICATIONS

General modifications

38 (1) References within sub-paragraph (2) which are contained—

- (a) in the Insolvency Act 1986 (other than Schedule B1 to that Act), or
- (b) in other legislation passed or made before this Act,

include references to whatever corresponds to them for the purposes of this paragraph.

(2) The references are those (however expressed) which are or include references to—

- (a) an administrator appointed by an administration order,
- (b) an administration order,
- (c) an application for an administration order,
- (d) a company in administration,
- (e) entering into administration, and
- (f) Schedule B1 to the Insolvency Act 1986 or a provision of that Schedule.

(3) For the purposes of this paragraph—

- (a) a housing administrator of a company corresponds to an administrator appointed by an administration order,
- (b) a housing administration order in relation to a company corresponds to an administration order,
- (c) an application for a housing administration order in relation to a company corresponds to an application for an administration order,
- (d) a company in housing administration corresponds to a company in administration,
- (e) entering into housing administration in relation to a company corresponds to entering into administration, and
- (f) what corresponds to Schedule B1 to the Insolvency Act 1986 or a provision of that Schedule is that Schedule or that provision as applied by Part 1 of this Schedule.

39 (1) Paragraph 38, in its application to section 1(3) of the Insolvency Act 1986, does not entitle the housing administrator of an unregistered company to make a proposal under Part 1 of the Insolvency Act 1986 (company voluntary arrangements).

- (2) Paragraph 38 does not confer any right under section 7(4) of the Insolvency Act 1986 (implementation of voluntary arrangements) for a supervisor of voluntary arrangements to apply for a housing administration order in relation to a company that is a private registered provider.

- (3) Paragraph 38 does not apply to section 359 of the Financial Services and Markets Act 2000 (administration order).

Modifications of the Insolvency Act 1986

40 The following provisions of the Insolvency Act 1986 are to have effect in the case of any housing administration with the following modifications.

41 Section 5 (effect of approval of voluntary arrangements) is to have effect as if after subsection (4) there were inserted—

- “(4A) Where the company is in housing administration, the court must not make an order or give a direction under subsection (3) unless—

- (a) the court has given the Secretary of State or the Regulator of Social Housing a reasonable opportunity of making representations to it about the proposed order or direction, and
- (b) the order or direction is consistent with the objective of the housing administration.

- (4B) In subsection (4A) “in housing administration” and “objective of the housing administration” are to be read in accordance with Schedule B1 to this Act, as applied by Part 1 of Schedule (Conduct of housing administration: companies) to the Housing and Planning Act 2015.”

42 Section 6 (challenge of decisions in relation to voluntary arrangements) is to have effect as if—

- (a) in subsection (2), for “this section” there were substituted “subsection (1)”,
- (b) after that subsection there were inserted—

“(2AA) Subject to this section, where a voluntary arrangement in relation to a company in housing administration is approved at the meetings summoned under section 3, an application to the court may be made—

- (a) by the Secretary of State, or
- (b) with the consent of the Secretary of State, by the Regulator of Social Housing,

on the ground that the voluntary arrangement is not consistent with the achievement of the objective of the housing administration.”,

- (c) in subsection (4), after “subsection (1)” there were inserted “or, in the case of an application under subsection (2AA), as to the ground mentioned in that subsection”, and

- (d) after subsection (7) there were inserted—

“(7A) In this section “in housing administration” and “objective of the housing administration” are to be read in accordance with Schedule B1 to this Act, as applied by Part 1 of Schedule (Conduct of housing administration: companies) to the Housing and Planning Act 2015.”

43 In section 129(1A) (commencement of winding up), the reference to paragraph 13(1)(e) of Schedule B1 is to include section (Powers of court)(1)(e) of this Act.

Power to make further modifications

44 (1) The Secretary of State may by regulations amend this Part of this Schedule so as to add further modifications.

(2) The further modifications that may be made are confined to such modifications of—

- (a) the Insolvency Act 1986, or
- (b) other legislation passed or made before this Act that relate to insolvency or make provision by reference to anything that is or may be done under the Insolvency Act 1986,

as the Secretary of State considers appropriate in relation to any provision made by or under this Chapter.

Interpretation of Part 3 of Schedule

45 In this Part of this Schedule—

“administration order”, “administrator”, “enters administration” and “in administration” are to be read in accordance with Schedule B1 to the Insolvency Act 1986 (disregarding Part 1 of this Schedule), and

“enters housing administration” and “in housing administration” are to be read in accordance with Schedule B1 to the Insolvency Act 1986 (as applied by Part 1 of this Schedule).” (*Mr Marcus Jones*)

See Member’s explanatory statement for NC8.—

Brought up, read the First and Second time, and added to the Bill.

New Schedule 3

AMENDMENTS TO HOUSING MORATORIUM AND CONSEQUENTIAL AMENDMENTS

“1 The Housing and Regeneration Act 2008 is amended as follows.

2 Omit section 144 (insolvency: preparatory steps notice).

3 For section 145 substitute—

“145 Moratorium

(none) A moratorium on the disposal of land by a private registered provider begins if a notice is given to the regulator under any of the following provisions of the Housing and Planning Act 2015—

(a) section (Winding-up orders)(2)(a) (notice of winding up petition);

(b) section (Voluntary winding up)(4)(a) (notice of application for permission to pass a resolution for voluntary winding up);

(c) section (Making of ordinary administration orders)(3)(a) (notice of ordinary administration application);

(d) section (Administrator appointments by creditors)(4)(a) (notice of appointment of ordinary administrator);

(e) section (Enforcement of security)(2)(a) (notice of intention to enforce security).”

4 (1) Section 146 (duration of moratorium) is amended as follows.

(2) For subsections (1) and (2) substitute—

“(1) The moratorium begins when the notice mentioned in section 145 is given.

(2) The moratorium ends when one of the following occurs—

(a) the expiry of the relevant period,

(b) the making of a housing administration order under Chapter 3A of Part 4 of the Housing and Planning Act 2015 in relation to the registered provider, or

(c) the cancellation of the moratorium (see subsection (5)).

(2A) The “relevant period” is—

(a) the period of 28 days beginning with the day on which the notice mentioned in section 145 is given, plus

(b) any period by which that period is extended under subsection (3).”

(3) Omit subsection (6).

(4) For subsection (9) substitute—

“(9) If a notice mentioned in section 145 is given during a moratorium, that does not—

(a) start a new moratorium, or

(b) alter the existing moratorium’s duration.”

5 (1) Section 147 (further moratorium) is amended as follows.

(2) In subsection (1)(b), for “step specified in section 145 is taken” substitute “notice mentioned in section 145 is given”.

(3) In subsection (2), for “step” substitute “notice”.

6 In section 154 (proposals: effect), in subsection (2), after paragraph (a) insert—

“(aa) in the case of a charitable incorporated organisation, its charity trustees (as defined by section 177 of the Charities Act 2011),”.

7 Omit section 162 (consent to company winding up).

8 Omit section 164 (consent to registered society winding up).

9 In section 275 (general interpretation), omit the definition of “working day”.

10 In section 276 (index of defined terms), omit the entry relating to “working day”. (*Mr Marcus Jones*)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

Clause 154

EXTENT

Amendment made: 7, page 77, line 4, leave out “This Part extends” and insert

“Chapter 3A of Part 4 and this Part extend”.—(*Mr Marcus Jones.*)

This ensures that the new clauses about special administration for private registered providers etc (see Member’s explanatory statement for NC8 extend throughout the United Kingdom.

New Clause 37

CONTENT OF BANNING ORDER: COMPANY INVOLVEMENT

“(1) A banning order may include provision banning the person against whom it is made from being involved in any company that carries out an activity that the person is banned by the order from carrying out.

(2) For this purpose a person is “involved” in a company if the person acts as an officer of the company or directly or indirectly takes part in or is concerned in the management of the company.”

This new Clause allows the Tribunal when making a banning order under Part 2 of the Bill to ban a person from being involved in certain companies. It is intended, in part, as an anti-avoidance measure.—(Mr Marcus Jones.)

Brought up, read the First and Second time, and added to the Bill.

Clause 13

“BANNING ORDER” AND “BANNING ORDER OFFENCE”

Amendment made: 12, page 9, line 12, at end insert—

“() See also section (Content of banning order: company involvement) (which enables a banning order to include a ban on involvement in certain companies).”—(*Mr Marcus Jones.*)

See Member’s explanatory statement for NC37.

Clause 16

DURATION AND EFFECT OF BANNING ORDER

Amendments made: 13, page 10, line 24, leave out “the ban for each banned activity” and insert

“each ban imposed by the order”.

This amendment and amendment 15 ensure that the provisions of clause 16 apply to a ban on involvement in a company as envisaged by NC37.

Amendment 14, page 10, line 25, leave out “6” and insert “12”.

This amendment increases the minimum length of a ban imposed by a banning order to 12 months.

Amendment 15, page 10, line 26, leave out first “the” and insert “a”. —(*Mr Marcus Jones.*)

See Member’s explanatory statement for amendment 13.

Clause 21

FINANCIAL PENALTY FOR BREACH OF BANNING ORDER

Amendment made: 16, page 12, line 15, leave out “£5,000” and insert “£30,000”. —(*Mr Marcus Jones.*)

This increases the maximum financial penalty that may be imposed where a person has breached a banning order.

Clause 28

POWER TO INCLUDE PERSON CONVICTED OF BANNING ORDER OFFENCE

Amendment made: 17, page 14, line 16, at end insert—

“(1A) A local housing authority in England may make an entry in the database in respect of a person who has, at least twice within a period of 12 months, received a financial penalty in respect of a banning order offence committed at a time when the person was a residential landlord or a property agent.

(1B) A financial penalty is to be taken into account for the purposes of subsection (1A) only if the period for appealing the penalty has expired and any appeal has been finally determined or withdrawn.” —(*Mr Marcus Jones.*)

This extends the power to include people in the database of rogue landlords and property agents.

Clause 29

PROCEDURE FOR INCLUSION UNDER SECTION 28

Amendment made: 18, page 15, line 10, at end insert

“, or

(b) received the second of the financial penalties to which the notice relates.” —(*Mr Marcus Jones.*)

This is consequential on amendment 17.

Clause 31

INFORMATION TO BE INCLUDED IN THE DATABASE

Amendment made: 19, page 15, line 35, at end insert—

“(f) details of financial penalties that the person has received.” —(*Mr Marcus Jones.*)

This relates to the power to make regulations about the information that must be included in a person’s entry in the database of rogue landlords and property agents. It provides that regulations may require details of financial penalties to be included.

Clause 34

REMOVAL OR VARIATION OF ENTRIES MADE UNDER SECTION 28

Amendments made: 20, page 16, line 31, at end insert—

“(4A) If the entry was made on the basis that the person has received two or more financial penalties and at least one year has elapsed since the entry was made, the responsible local housing authority may—

(a) remove the entry, or

(b) reduce the period for which the entry must be maintained.”

This is consequential on amendment 17.

Amendment 21, page 16, line 31, at end insert—

“() The power in subsection (3), (4) or (4A) may even be used—

(a) to remove an entry before the end of the two-year period mentioned in section 29(2)(b), or

(b) to reduce the period for which an entry must be maintained to less than the two-year period mentioned in section 29(2)(b).” —(*Mr Marcus Jones.*)

Where an entry in the database of rogue landlords and letting agents is made under clause 28 it must be made for a minimum period of 2 years - see clause 29(2)(b). This amendment makes it clear that the 2-year period does not constrain the power to remove or vary an entry.

Clause 37

USE OF INFORMATION IN DATABASE

Amendment made: 22, page 17, line 34, at end insert—

“() The Secretary of State may disclose information in the database to any person if the information is disclosed in an anonymised form.

() Information is disclosed in an anonymised form if no individual or other person to whom the information relates can be identified from the information.” —(*Mr Marcus Jones.*)

This allows the Secretary of State to disclose information in the database of rogue landlords and property agents to any person if the information is disclosed in an anonymised form. This will allow it to be used for statistical or research purposes.

Clause 38

INTRODUCTION AND KEY DEFINITIONS

Amendments made: 23, page 18, line 9, leave out “in certain cases” and insert

“where a landlord has committed an offence to which this Chapter applies”.

During Public Bill Committee the Bill was amended to make it a criminal offence to breach a banning order. Changes were also made to ensure that Chapter 4 of Part 2 applies to breach of a banning order in the same way as it applies to other offences to which the Chapter applies. This amendment and amendments 24 and 25 are consequential on those changes.

Amendment 24, page 18, line 16, leave out subsection (3). —(*Mr Marcus Jones.*)

See Member’s explanatory statement for amendment 23.

Clause 40

NOTICE OF INTENDED PROCEEDINGS

Amendment made: 25, page 19, line 35, leave out “breached the banning order or”. —(*Mr Marcus Jones.*)

See Member’s explanatory statement for amendment 23.

Clause 53

GENERAL INTERPRETATION OF PART

Amendment made: 26, page 24, line 21, at end insert—

““financial penalty” means a penalty that—

(a) is imposed in respect of conduct that amounts to an offence, but

(b) is imposed otherwise than following the person’s conviction for the offence;”. —(*Mr Marcus Jones.*)

See Member’s explanatory statement for amendment 17.

New Clause 29

PLANNING APPLICATIONS ETC: SETTING OF FEES

‘In section 303 of the Town and Country Planning Act 1990 (fees for planning applications etc), after subsection (8) insert—

“(8A) If a draft of regulations of the Secretary of State under this section would, apart from this subsection, be treated as a hybrid instrument for the purposes of the standing orders of either House of Parliament, it is to proceed in that House as if it were not a hybrid instrument.”.—(*Brandon Lewis.*)

This new Clause provides that any planning fees regulations in England made under section 303 of the Town and Country Planning Act 1990 that would otherwise be subject to the hybrid procedure in Parliament will be subject to the usual affirmative procedure instead.

Brought up, and read the First time.

Brandon Lewis: I beg to move, That the clause be read a Second time.

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

Government new clause 30—*Resolution of disputes about planning obligations.*

Government new clause 31—*Planning obligations and affordable housing.*

Government new clause 43—*Processing of planning applications by alternative providers.*

Government new clause 44—*Regulations under section (Processing of planning applications by alternative providers): general.*

Government new clause 45—*Regulations under section (Processing of planning applications by alternative providers): fees and payments.*

Government new clause 46—*Regulations under section (Processing of planning applications by alternative providers): information.*

New clause 40—*Right of appeal: local interested parties—*

‘(1) Where a local planning authority does not have an up-to-date and approved local development plan meeting the requirements of Part 3 of the Planning and Compulsory Purchase Act 2004 and—

(a) grant planning permission, whether or not subject to conditions, or

(b) refuse an application for planning permission,

a local interested party may by notice appeal to the Secretary of State as if the interested party was an applicant for the purposes of section 78 of the Town and Country Planning Act 1990 (“the 1990 Act”).

(2) In determining the appeal the provisions at Part III of the 1990 Act shall apply but with the interested party or parties treated as the appellant and the applicant for planning permission treated as a party to the appeal with the same rights as an applicant appealing under section 78.

(3) Before determining an appeal under section 78 the Secretary of State shall, if the appellant, the applicant for planning permission or the local planning authority so wish, give each of them an opportunity of appearing before and being heard by a person appointed by the Secretary of State for the purpose.

(4) For the purposes of this section “local interested party” means any person who is not the applicant for permission in question and whose land, property or other interests in the locality of the development would be directly and significantly affected by the development.’

This new clause would give local interested parties a right of appeal in development control affecting their land, property or interests.

New clause 41—*Right of appeal: local parish councils—*

‘(1) Where a local planning authority—

(a) do not have an up-to-date and approved local development plan meeting the requirements of Part 3 of the Planning and Compulsory Purchase Act 2004, and

(b) grant permission for the development of more than 100 dwellings,

a local Parish Council may by notice appeal to the Secretary of State as if the Council were an applicant for the purposes of section 78 of the Town and Country Planning Act 1990 (“the 1990 Act”).

(2) In determining the appeal the provisions at Part III of the 1990 Act shall apply but with local Parish Council or Councils treated as the appellant and the applicant for planning permission treated as a party to the appeal with the same rights as an applicant appealing under section 78.

(3) Before determining an appeal under section 78 the Secretary of State shall, if the appellant, the applicant for planning permission or the local planning authority so wish, give each of them an opportunity of appearing before and being heard by a person appointed by the Secretary of State for the purpose.

(4) For the purposes of this section “local parish council” means a parish council—

(a) within whose boundaries all or part of the development at subsection (1) would take place,

(b) whose boundary is adjacent to the development, or

(c) would otherwise be directly and significantly affected by the development.’

This new clause would give local parish councils a right of appeal in respect of developments consisting of 100 or more dwellings.

New clause 48—*Neighbourhood right of appeal—*

‘(1) After section 78 of the Town and Country Planning Act 1990 (“the 1990 Act”) insert—

“78ZA A neighbourhood right of appeal

(1) Where—

(a) a planning authority grants an application for planning permission, and

(b) the application does not accord with policies in an emerging or made neighbourhood plan in which the land to which the application relates is situated, and

(c) the neighbourhood plan in subsection (1)(a) contains proposals for the provision of housing development, certain persons as specified in subsection (2) below may by notice appeal to the Secretary of State.

(2) Persons who may by notice appeal to the Secretary of State against the approval of planning permission in the circumstances specified in subsection (1) above are any parish council or neighbourhood forum by two thirds majority voting, as defined in Section 61F of the 1990 Act, whose made or emerging neighbourhood plan includes all or part of the area of land to which the application relates.

(3) In this section “emerging” means a neighbourhood plan that—

(a) has been examined,

(b) is being examined, or

(c) is due to be examined, having met the public consultation requirements necessary to proceed to this stage.”

(2) Section 79 of the 1990 Act is amended as follows—

“(a) in subsection (2), leave out “either” and after “planning authority”, insert “or the applicant (where different from the appellant)”;’

(b) in subsection (6), after “the determination”, insert “(except for appeals as defined in section 78ZA and where the appellant is as defined in subsection 78ZA(2)).”’

This new clause would give parish councils and neighbourhood forums rights of appeal in respect of planning permission for development that did not accord with policies in an emerging or finalised neighbourhood.

New clause 50—Minimum space standards for new dwellings—

‘In Schedule 1 Part M to the Buildings Regulations 2010, after subsection M4 insert—

“Internal Space Standards

(M5) New dwellings should meet the minimum standards for internal space set out in the National Described Space Standard, 2015.”’

The new clause would incorporate the National Described Space Standard into building regulations to ensure all new dwellings are built to meet those requirements.

New clause 51—Local Authorities and Development Control Services—

‘(1) A local planning authority may set a charging regime in relation to its development control services to allow for the cost of providing the development control service to be recouped.

(2) Such a charging regime will be subject to statutory consultation.’

The amendment would allow local authorities to develop a planning fees schedule that would enable the full costs of processing planning applications to be recovered.

New clause 57—Planning obligations: local first-time buyers—

‘(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Planning obligations in respect of local first-time buyers

(1) When granting planning permission under 70(1)(a), or permission in principle under 70(1A)(a), for the construction of new dwellings for sale, the local planning authority may require that a proportion of the dwellings are marketed exclusively to local first-time buyers for a specified period.

(2) The “specified period” in subsection (1) must start no earlier than six months before the new dwellings have achieved, or are likely to, practical completion.

(3) “First-time buyer” in subsection (1) has the meaning given by section 57AA(2) of the Finance Act 2003.

(4) The Secretary of State may by regulations—

(a) define the “specified period” in subsection (1),

(b) define “local” in subsection (1), and

(c) the definition “local” may vary according to specified circumstances.

(5) The regulations in subsection (4) so far as they apply to local planning authorities in Greater London will not apply to these authorities unless the Secretary of State has consulted and received the consent of the Greater London Authority.”’

This new clause would empower local planning authorities to impose a planning obligation when giving planning permission for the construction of new housing for sale requiring that a proportion of the housing is marketed exclusively to local first time buyers.

New clause 58—Planning (Listed Buildings and Conservation Areas) Act 1990: amendment—

‘(1) The Planning (Listed Buildings and Conservation Areas) Act 1990 is amended as follows—

(2) In Section 1, for subsection (3) substitute—

“(3) In considering whether to include a building, or part of a building, in a list compiled or approved under this section, the Secretary of State shall take into account—

(a) whether its exterior contributes to the architectural or historic interest of any group of buildings of which it forms part;

(b) the desirability of preserving, on the ground of its architectural or historic interest, any feature of the

building consisting of a man-made object or structure fixed to the building or forming part of the land and comprised within the curtilage of the building; and

(c) the desirability of excluding specific features or structures (whether part of the building or otherwise within its curtilage) for the purposes of facilitating improvements in matters including, but not limited to, environmental performance, health and safety and cost-effective maintenance.”’

This new clause would make explicit the duties and powers of conservation and planning authorities to take account of the specific heritage priorities within a listed building’s curtilage against other considerations.

Government new schedule 4—Resolution of disputes about planning obligations: Schedule to be inserted in the Town and Country Planning Act 1990.

Amendment 74, page 51, line 21, leave out clause 111.

Amendment 100, in clause 111, page 51, line 25, leave out “land” and insert “brownfield land for housing”.

The amendment makes clear that “permission in principle” is limited to housing on brownfield land in England.

Amendment 101, page 51, line 33, at end insert—

‘() Criteria for permission in principle and technical details consent will be subject to consultation with local authorities.’

The amendment would ensure that communities continue to have a say on decisions that affect them through their local planning committees and through the local plan process.

Amendment 70, page 52, line 25, leave out “not”.

The amendment would ensure that permission in principle expires when the plan is no longer relevant or has been replaced.

Amendment 102, page 52, line 38, at end insert “, where prescribed information will be subject to consultation with local planning authorities.”.

The amendment would ensure that burdens on local authorities are minimised and existing systems for collection of information are used effectively.

Amendment 71, page 53, line 1, at end insert “unless any material considerations indicate otherwise.”.

The amendment would allow local planning authorities to overturn the ‘permission in principle’ decision where important material considerations which the plan making stage did not reveal have come to light.

Amendment 72, page 53, line 18, after “period”, insert “and in any event no longer than five years”.

The amendment would create certainty for communities and developers and contributes to reducing ‘permission in principle’ by using for land speculation and land banking.

Amendment 103, in clause 112, page 54, line 27 [], at end insert “and in particular the achievement of sustainable development and good design;”.

The amendment would place a high level obligation on the face of the Bill to ensure brownfield land contributes to sustainable places.

Amendment 80, in clause 115, page 56, line 7, after “financial”, insert “costs and”.

This amendment would require information about costs as well as benefits to be included in certain planning reports.

Amendment 81, page 56, line 15, after “financial”, insert “costs and”.

See amendment 80.

Amendment 82, page 56, line 23, after “financial”, insert “cost and”.

See amendment 80.

Amendment 83, page 56, line 24, at end insert “cost or”.

See amendment 80.

Amendment 84, page 56, line 26, at end insert “cost or”.

Amendment 85, page 56, line 35, after “financial”, insert “costs and”

See amendment 80.

Amendment 86, page 56, line 36, after “the”, insert “cost or”.

See amendment 80.

Amendment 87, page 56, line 38, at end insert—

“(c) provide a description of financial costs by reference to the infrastructure requirements and environmental impacts associated with an application for planning permission, and require consideration of whether these have been addressed in the development plan for the area.”.

See amendment 80.

Amendment 78, in clause 116, page 57, line 25, at end insert—

“(7A) Guidance referred to in subsection (7) must include a requirement for the developer to pay development value for land that is compulsorily purchased for housing as part of any Nationally Significant Infrastructure Project.”.

This amendment would ensure that developers who acquire land for housing developments via compulsory purchase as part of a Nationally Significant Infrastructure Project must pay the development value as if it had been acquired on the open market.

Amendment 104, in clause 118, page 58, line 40, after subsection (3) insert—

“(4) Section 136 of the Local Government, Planning and Land Act 1980 (Objects and General Powers) is amended as follows.

(5) After subsection (2) insert—

“(2A) Corporations under this Act must contribute to the long-term sustainable development and place making of the new community.

(2B) Under this Act sustainable development and placemaking means managing the use, development and protection of land and natural resources in a way which enables people and communities to provide for their legitimate social, economic and cultural wellbeing while sustaining the potential of future generations to meet their own needs. In achieving sustainable development and placemaking, development corporations should—

- (a) positively identify suitable land for development in line with the economic, social and environmental objectives so as to improve the quality of life, wellbeing and health of people and the community;
- (b) contribute to the sustainable economic development of the community;
- (c) contribute to the vibrant cultural and artistic development of the community;
- (d) protect and enhance the natural and historic environment;
- (e) contribute to mitigation and adaptation to climate change in line with the objectives of the Climate Change Act 2008;
- (f) positively promote high quality and inclusive design;
- (g) ensure that decision-making is open, transparent, participative and accountable; and
- (h) ensure that assets are managed for long-term interest of the community.”

(6) Section 4 of the New Towns Act 1981 (The Objects and General Powers of Development Corporations) is amended as follows.

(7) For subsection (1) substitute—

“(1) The objects of a development corporation established for the purpose of a new town or garden city shall be to secure the

physical laying out of infrastructure and the long-term sustainable development and place making of the new community.

(1A) Under this Act sustainable development and place making means managing the use, development and protection of land and natural resources in a way which enables people and communities to provide for their legitimate social, economic and cultural wellbeing while sustaining the potential of future generations to meet their own needs. In achieving sustainable development, development corporations should—

- (a) positively identify suitable land for development in line with the economic, social and environmental objectives so as to improve the quality of life, wellbeing and health of people and the community;
- (b) contribute to the sustainable economic development of the community;
- (c) contribute to the vibrant cultural and artistic development of the community;
- (d) protect and enhance the natural and historic environment;
- (e) contribute to mitigation and adaptation to climate change in line with the objectives of the Climate Change Act 2008;
- (f) positively promote high quality and inclusive design;
- (g) ensure that decision-making is open, transparent, participative and accountable; and
- (h) ensure that assets are managed for long-term interest of the community.”

The amendment would insert placemaking objectives for both UDC's in Local Government Act 1980 and for New Town Development Corporations in the New Towns Act 1981 and sets out an ambitious high quality purpose for making the development of scale growth.

Government amendment 10.

Government amendment 75.

Government new clause 32—*Engagement with public authorities in relation to proposals to dispose of land.*

Government new clause 33—*Duty of public authorities to prepare report of surplus land holdings.*

Government new clause 34—*Power to direct bodies to dispose of land.*

Government new clause 35—*Reports on improving efficiency and sustainability of buildings owned by local authorities.*

Government new clause 36—*Reports on improving efficiency and sustainability of buildings in military estate.*

New clause 49—*Power to direct—*

‘The Secretary of State shall define in regulation powers for local planning authorities to direct the use of underused, un-used or otherwise available publicly-owned land in a local area to support redevelopment or regeneration as outlined in a local development plan.’

The clause would give councils the power of direction on publicly-owned land to enable it to be brought forward more quickly to support redevelopment or regeneration opportunities.

Government new schedule 5—*Authorities specified for purposes of section (Reports on buildings owned by local authorities and others).*

Government amendment 8.

Brandon Lewis: New clause 29 allows the Secretary of State to make regulations via the affirmative procedure about the fees to be paid by applicants when they make planning applications. New clause 30 and new schedule 4 set out a dispute resolution process to speed up section 106 negotiations in order to help housing starts to proceed more quickly. They provide for a person to be appointed

to help resolve outstanding issues in relation to section 106 planning obligations. The new process will also apply only in situations where the local planning authority would be likely to grant planning permission if satisfactory planning obligations were entered into, ensuring that we only target sites where prolonged negotiations could stall development.

After the appointed person issues their report on that mechanism, the parties will still be free to agree their own terms if they do not agree with the report, but only if they do so quickly. We want to encourage the parties to tie up their loose ends quickly. We are consulting on the finer detail of the process and we will bring forward regulations in due course.

New clause 31 seeks to provide the Secretary of State with a power to restrict the enforcement of planning obligations in relation to affordable housing in certain situations. We have included a definition of affordable housing that includes starter homes. These changes will support house building. We will be consulting on how to use that power, and measures will be introduced through regulations.

New clauses 32 to 36 and new schedule 5 are designed to ensure that public sector bodies make efficient use of their land and buildings as part of their duty to deliver the best value for the taxpayer. I want to thank my right hon. Friend the Minister for the Cabinet Office and Paymaster General for his excellent work on those amendments.

New clause 32 requires Ministers of the Crown, and any public bodies added through regulations, to engage with other relevant public bodies when developing proposals to dispose of land. That duty was inspired by local authorities who have experienced varying levels of engagement, ranging from excellent to none at all. It will set out clearly what local authorities and other relevant bodies should expect when the Government are disposing of land.

Clause 32 will ensure that engagement takes place on an ongoing basis from the point at which proposals for disposal are being developed. The clause requires Ministers of the Crown to engage with local authorities.

New clause 33 is a transparency measure and will require public authorities to prepare and publish a report setting out details of land that is surplus to requirements and has been retained as surplus for longer than two years or, in the case of property that is wholly or mainly residential, longer than six months; and why surplus assets have not been released. Regulations will make further provision about reports, and guidance will give more detail on determining whether land is surplus.

Alison Thewliss (Glasgow Central) (SNP): New clauses 32 and 33 contain references to Scotland. Will the Minister bring forward further detail on what the implications will be for Scotland and what communications he will be having with the Scottish Government on the reports that are to be produced?

Brandon Lewis: As I have just outlined, we will be making further provisions about the reports through regulation, and there will be guidance giving more detail. I will be happy to speak with the hon. Lady and her colleagues in the weeks ahead.

New clause 34 enables the Secretary of State to use the power to direct the disposal of land in specified circumstances. These will be set out in regulations. One such circumstance could be where land is listed in a body's surplus land report under clause 33—for example, land that has been held surplus for longer than two years or, in the case of wholly or mainly residential land, longer than six months. The Local Government, Planning and Land Act 1980 provides important safeguards, and I want to be clear today that they will continue to apply to the new provisions.

New clauses 35 and 36 represent a significant step forward in the transparency of performance on the sustainability and efficiency of the public sector estate. They extend requirements contained in section 86 of the Climate Change Act 2008 to provide an annual report on progress made towards making the estate more efficient and sustainable. New clause 35 provides for similar reporting requirements to apply to local government in respect of each local authority's estate. Schedule 5 sets out local authorities in England that are subject to this new duty. Applying reporting requirements to the local government estate will strengthen accountability to local taxpayers and support local government's drive to be more efficient and make effective use of their assets, as the best local authorities are already doing.

New clause 36 mirrors the 2008 Act requirements in respect of the Ministry of Defence military estate. The inclusion of the military estate in the annual state of the estate report will bring greater transparency to that part of the Government estate and its performance in key areas. Government amendment 8 specifies that new clauses 32 and 33 extend to England, Wales and Scotland.

In Committee, I was invited by my hon. Friend the Member for Wimbledon (Stephen Hammond) to consider the potential for fast-track planning applications and having a more competitive planning process. Other hon. Friends backed that up and made similar comments. I can now say that the Government are bringing forward new clauses 43 to 46 and new clause 75 to test the benefits of introducing competition in the processing of planning applications. New clause 43 would give the Secretary of State the power, by regulation, to introduce pilot schemes for competition in the processing of applications for planning permission. It will also give him the power to designate who participates in a pilot scheme. Let me be clear: this is about competition for the processing of applications, not their determination. The democratic determination of planning applications by local planning authorities is a fundamental pillar of the planning system, and that will remain the case during any pilot schemes that the Secretary of State brings forward. Let me also be clear that new clause 43 would require that any pilot schemes brought forward by the Secretary of State will be for a limited period specified in regulations.

New clause 44 provides that regulations may set out how any pilot schemes should operate. New clause 45 provides that regulations may include provision for the setting, publishing and charging of fees by designated persons and planning authorities in the pilot areas, and for the refunding of fees in specific circumstances. It would also provide for the Secretary of State to intervene when he considers that excessive fees are being charged.

[Brandon Lewis]

New clause 46 provides that regulations may provide for the sharing of information between designated persons and planning authorities in pilot areas, and with the Secretary of State. Amendment 75 provides that new clauses 43 to 46 come into force on Royal Assent. Those new clauses will allow us to test, in specific areas of the country and for a limited period, the benefits of allowing planning applicants to choose who processes their planning application. That will lead to a more efficient and effective planning system, better able to secure the development of the homes and other facilities that our communities need and want. Introducing choice for the applicant enables them to shop around for the services that best meet their needs. It will enable innovation in service provision, bringing new resources into the planning system and driving down costs while improving performance.

Helen Hayes: I am pleased to have the opportunity to speak about the planning clauses of the Bill, even at this late hour. The Bill represents a very significant rolling back of the policies of localism introduced by the last Government, who sought to give local communities more control over both planning policy and local planning decisions.

Planning is a progressive discipline. It is the mechanism we have for brokering the differences between individual interests and collective community needs, ensuring that those who profit from development contribute to meeting the needs of the communities in which they are building, and protecting the things that we hold dear—whether local heritage, natural habitats, special views or simply the character and diversity of our local high street or neighbourhood.

The Government like to blame the planning system for the failure to deliver new homes, but objective evidence suggests that it is not the right target. On planning, the Government show again and again that they have an inaccurate analysis and a long-term plan that does not work. The number of homes being granted planning permission each year is about 230,000. That does need to increase, but it is not too far off the 250,000 homes we need in order to begin to make inroads on the housing crisis.

Yet if we look at the number of homes being delivered, either by starts or completions, we see that both stand at about 130,000. Recent research by *The Guardian* has revealed that the nine house builders in the FTSE 100 are sitting on enough land to build 600,000 homes. Against a backdrop of increased planning consents and continued deregulation, house building starts fell by 14% between April and June of last year.

The Government's response is to seek to deregulate the planning system further, curiously through a series of centralising measures that will take control away from local communities and make it harder—not easier—to deliver new development. At a Communities and Local Government Committee meeting before the Christmas recess, the Minister for Housing and Planning mentioned a development in his own constituency of 900 homes that is being built out over 15 years. That frustratingly slow speed of delivery has nothing to do with the local planning system and much to do with a Government who simply lack the political will to increase the rate of home building to deliver what is necessary.

The Government's cuts to local government funding are clearly having a negative impact on planning departments across the country, and I am pleased that Ministers appear to have accepted the arguments that I and other Opposition Members made during the Bill Committee stage: that councils should be able to operate a charging regime for planning services that enables them to recover the true cost of providing the service. Subject to the detail to be set out in the regulations, that should enable councils to resource their planning departments properly, even in a context of continued cuts to their overall funding. Further, it will help to ensure that under-resourced planning departments do not present a blockage to new homes being built. It will enable applicants to be sure of receiving a good level of service and swifter decisions, and help to scale up the level of planning permissions being granted to meet the need we have for new homes.

12.30 am

Notwithstanding this welcome change of heart, there remain very significant concerns about the planning clauses in the Bill. The Government have introduced new clause 43 very late in the day so it has not been subject to proper scrutiny by the Public Bill Committee. The new clause introduces the outsourcing of planning applications. It is potentially very damaging. It weakens the accountability of local planning services and removes with one hand the fees that the Government are enabling local authorities to raise with the other. Fundamentally, it is a solution to a symptom of the problem of the disproportionate effect of local government cuts on planning departments. This symptom will be alleviated by the proper resourcing that a new system of fees will facilitate. I therefore urge the Government to rethink this proposal, which simply undermines local planning departments.

The Government further undermine local planning authorities with the imposition of two very strong duties in relation to starter homes. Local planning authorities will have a duty to promote starter homes and ensure that they are delivered on all reasonably sized sites, with provision for the Secretary of State to intervene via a compliance direction if the local authority fails to comply with these duties. Local authorities have no such duties in relation to any other form of housing. Their responsibilities on housing relate entirely to assessing local need and delivering a range of housing to meet that need. It is therefore an extraordinary form of centralisation to impose such strong duties in relation to one particular form of housing.

In Committee, I raised repeatedly concerns about permission in principle. In 18 years working as a town planner, I saw so often that the acceptability of the principle of development to a local authority and to a local community is dependent on aspects of the detail. Issues such as the density and height of the development, the size of the homes proposed, design quality standards, or—on everyone's minds in the current context—flood risk mitigation are not technical details. They may be informed by technical studies, but they form part of the fine-grain set of judgments that a local planning authority makes as to whether a site is suitable for a housing development. Permission in principle, as far as we can tell, will not set any parameters other than land use and quantum of development. A developer will know that

housing can be built on the site but not what size or type or what the design and quality standards must be, and importantly, unless they have made their own investigations, they will not necessarily know anything about the land on which they want to build. Permission in principle therefore offers very little to developers, but it also offers nothing to communities. As a consequence, it will fail to speed up the pace of development and the delivery of new homes.

Let us take, for example, a brownfield site in a historic town centre. It might be possible to judge without too much detailed information that 10 housing units could be developed on the site, and permission in principle could therefore be given, but there may be archaeological remains below the ground, and issues such as the massing of development and the style of the architecture might be absolutely critical in determining whether development on the site is acceptable.

Another example might be a local plan approved in 2012 that identifies a site for 800 residential units on the edge of a town, based on typical local vernacular designs of two and three-storey houses. Because it is in the local plan and has been added to the brownfield register, the site will be granted permission in principle. A technical details consent is then submitted that identifies that 70% of the land cannot be built on because of subsidence issues which were not known about at the time of the local plan allocation, as a ground condition survey would not have been carried out for each site in the local plan. Since the permission in principle contains the quantum of development, the 800 units are to be crammed on to 30% of the site, creating an overly dense development entirely unsuited to its context, with heights of up to 15 storeys. Local members cannot refuse it for design, sustainability or layout reasons, as the permission in principle states that having 800 units is acceptable. Permission in principle will weaken the powers of local authorities to refuse unsustainable or poorly designed developments, and erode the power of local communities to take part in the decision-making process.

Fundamentally, this Bill has no vision for planning. It does not harness the planning system as a tool for delivering the homes and infrastructure we so desperately need. It weakens our plan-led system and erodes the ability of the planning system to deliver high-quality, beautiful, sustainable places.

We need to deliver new homes in large numbers and very fast to meet demand, but we also need to build attractive, successful and sustainable places that will become much-loved communities and a part of the heritage of the future. We cannot achieve that without a planning system that prioritises place making, design standards and sustainability, and that involves communities properly in taking decisions about the future of their areas.

Nick Herbert (Arundel and South Downs) (Con): I have tabled two sets of amendments to deal with concerns about the operation of the planning system. Those concerns are shared by a number of my right hon. and hon. Friends, who support the amendments.

New clause 48 addresses the fact that neighbourhood plans can be undermined by speculative developments that are granted planning permission but that run contrary to those plans. Neighbourhood planning has been a great achievement on the part of this Government, who

have given communities power. Often neighbourhoods plan for far more houses than they originally intended or were allocated. Responsibility for the plans has been transferred to neighbourhoods and they are popular, but support for them relies on their integrity, and that support is undermined when speculative developers try to get in applications ahead of the completion of neighbourhood plans or even after they have been completed. They bang in their applications, and either they are upheld by the local authority, which is fearful of losing an appeal, or the developer makes an appeal that is upheld by the planning inspector. The development is then allowed to go ahead, which leads people, including groups of volunteers, to ask, “Why have we spent literally years working on this neighbourhood plan for where developments should go—a power that was given to us, the community—only for it to be overturned by a developer?”

Sir Oliver Heald (North East Hertfordshire) (Con): Many people in towns such as Buntingford and the villages in my constituency spend so much time surveying opinion and considering all the aspects of the heritage of their village in order to come up with a neighbourhood plan for their community. Does my right hon. Friend agree that it is wrong that that can then be trashed by an application by a speculative developer? These plans need to have a proper place and proper respect.

Nick Herbert: My hon. and learned Friend puts his point extremely well. I happen to know about the situation in Buntingford and how angry people are about speculative developments in his constituency.

Andrew Bingham (High Peak) (Con): That echoes what is happening in Chapel-en-le-Frith in my constituency. Does my right hon. Friend agree that when people's faith in the neighbourhood plan on which they have worked long and hard is undermined, that breaks their faith in the planning system from top to bottom, because that is what they focus on at the start?

Nick Herbert: I strongly agree with my hon. Friend. The whole point of the policy of localism and neighbourhood planning is that people are told explicitly that they will have control and be able to determine where development goes and protect land that they do not allocate for development for a period of, say, 15 years of the life of the plan. If that is overturned very quickly, or even as they complete their plan or just before it is passed by a referendum, that undermines confidence in the whole policy of localism. That is bad for the policy of neighbourhood planning and for the Government's policy of localism. It means a return to a system of planning by appeal and a developer-led system, which undermines support for new housing, when what we want is a plan-led system. For all of those reasons, the policy that allows speculative developers to creep in at the last moment and undermine plans is wrong. That loophole needs to be closed.

Developers have the right to appeal against planning permission that is refused, but the community has no right of appeal, which is part of the problem. The only recourse is to invite the Secretary of State to call in an application that appears to run contrary to national policy, but that is very much a last resort. Many of us have been grateful to the Secretary of State when he has

[Nick Herbert]

been willing to do that because something appears to have gone wrong in a local area, but that is not a process on which we necessarily want to rely.

Before the election, I and others proposed a community right of appeal, which commanded a lot of support in this House. We are now proposing a more limited, neighbourhood right of appeal. That would give communities or defined people in a community, such as a parish council, the ability to mount appeals against speculative planning applications that are granted if they run contrary to a neighbourhood plan or an emerging neighbourhood plan that is very close to being completed. That would allow a form of redress and introduce a check into the system. It would send a clear signal to developers that the abuse of the neighbourhood planning process is no longer allowed.

A number of organisations, including the Campaign to Protect Rural England and Civic Voice, support the proposed neighbourhood right of appeal, which I think would create a sensible balance in the planning system and strengthen the very good policy of neighbourhood planning.

The second set of amendments contains amendments 80 to 87 to clause 115, which places a new duty on local authorities to report on the financial benefits of proposed developments. The problem with the clause is that it is not balanced by any duty to assess the costs of proposed developments. It undermines public support for new housing when people see that inadequate infrastructure is provided to support it. If people are already concerned about access to the local school of their choice, the congestion on local roads, the waiting times at their local GP surgery or even more immediate and profound things such as the ability of the sewerage system to cope with increased development, which has been an issue in my constituency, and additional infrastructure is not provided when new housing is built, thereby exacerbating those problems, it undermines the support for new housing. If we address the infrastructure deficit more effectively, it will build support for the new housing that is so desperately needed to give people the chance to get a foot on the housing ladder.

This set of amendments would simply require local authorities, as well as assessing the benefits of proposed developments, to assess the costs. Those costs would include the infrastructure costs. This proposal would not prevent development, but it would require a proper assessment of the costs, which is not otherwise being done. There is a problem in that local authorities have a shared responsibility in this area. The local authorities that are granting planning permissions or making plans are not always the same authorities that are responsible for providing the elements of infrastructure, which are often county councils. Policy is not joined up in that respect. There have been repeated attempts through guidance and assurances to address infrastructure concerns, but they have not been adequate to meet local concerns. These amendments would again provide a reasonable balance in the system.

I hope that the Minister will consider my amendments favourably. If he is unable to accept them, I hope that he will at least say what he proposes to do to address the very legitimate concern on the part of local communities that if development must come, it should first be in

accordance with neighbourhood plans and secondly be matched with suitable infrastructure to support it.

Mr Betts: I signed the amendments tabled by the right hon. Member for Arundel and South Downs (Nick Herbert) on the necessity of demonstrating to communities how the infrastructure requirements of any development will be completed and carried out. I agree with him that the greatest concerns that people have about developments, whether they be in small villages, city centres or suburban areas, is what the impact will be on local traffic arrangements, whether local public transport will be provided, whether there will be sufficient capacity in doctors' surgeries and schools, and whether the water and sewerage systems will be capable of dealing with the demands of the developments. All those things are extremely important. Currently, there seems to be no automatic way in which a planning authority has to reassure communities that those issues will be taken into account when it approves a planning application.

I draw the House's attention to a report that the Communities and Local Government Committee produced in the last Parliament, in which we looked at the operation of the national planning policy framework during its first two or three years. Recommendation 11 stated:

"In setting out the reasons for approving development, decision-makers should fully explain the consideration they have given to its impact on infrastructure and explain how and where they expect the infrastructure to be provided, and to what timetable."

In other words, if an application is to be approved, it should be clearly laid out that a planning authority has considered how the infrastructure associated with, needed and required by that development will be provided, who will pay for it, and to what timetable it will be produced.

12.45 am

The Committee's recommendation seems entirely consistent with the amendment and the need to ensure that infrastructure is put in place. Planners should demonstrate—as should a planning committee when taking a decision—that those costs will be identified and the infrastructure provided, to allay the fears that many communities rightly have. In practice that infrastructure does not follow—a planning application is agreed, but that community will have problems because of the lack of infrastructure associated with the development. It would be good if the Minister would at least take on board the spirit of the amendment and see how it can be reflected. Everyone agrees that infrastructure requirements from planning permission should be followed through, but the real question is how that should be done.

New clause 31 deals with the definition of affordable housing. The Minister will say that £450,000 in London and £250,000 outside London is a top limit, but houses up to that limit will be regarded as affordable. Interestingly, subsection (5) states:

"The Secretary of State may by regulations amend this section so as to modify the definition of "affordable housing""

In other words, "affordable housing" is no longer what people can afford, but what the Government say people can afford. If the Government do not find themselves producing enough affordable housing under the current definition, they do not have to build more houses; they simply have to change the definition so that more

houses are covered by it. The Minister is getting into a bit of a fantasy world, but unfortunately the Government are operating in the real world.

The current planning system is essentially this Government's system. They completely revised the NPPF, and when the Select Committee considered that issue there was general support for the overall intention, but concern about some of the details. The Government have announced their intention to make further amendments to the NPPF, which the Committee will consider, and I am pleased that the Government have extended the consultation period for that. They have changed rules on permitted developments and given themselves extra powers to ensure that planning applications are dealt with in a certain period. Now, however, without any real consultation, and with a short period of notice as the new clause was produced just before Christmas, new clause 43 is effectively about the privatisation of the planning service. That is what it potentially amounts to after pilots have been brought in.

Let me explore what that might mean. Does it mean that an individual or organisation that submits a planning application will be free to shop around for whichever alternative provider they think can give them the best chance of getting a planning application accepted? Will they be able to look at the track record of providers around the country?

Chris Philp: I believe the new clause makes it clear that the third-party providers will handle the processing but not the determination. The new providers will provide speed and efficiency, but decision making will remain where it currently is—with elected members and officers.

Mr Betts: If the hon. Gentleman thinks that the process and discussions between an applicant and an officer dealing with that application will have no impact at all on whether permission is given, he is mistaken. Process is important, and how an applicant engages with a planning officer can lead to an eventual decision on the application. Just because a committee may make the final decision and say yes or no, the idea that the process has no role to play in shaping that eventual final decision is fundamentally wrong.

Ruth Cadbury (Brentford and Isleworth) (Lab): Does my hon. Friend agree that speeding up a decision and having another provider might mean that there is far less opportunity for local communities to be consulted and for proper research to take place on local history and conditions? Such things might not be done properly because the new providers are interested in speed and productivity as opposed to quality decisions.

Mr Betts: It is extremely worrying. The second point I was going to make is that we can all have views on occasions when the planning system does not work as well as it should, but nevertheless planning officers in a local authority have some understanding of their community—how it operates, what its needs are, who should be consulted and who should be involved in the process. My experience is that while there may be a minimum requirement for consultation, very often, as an application is considered, extra consultation is undertaken beyond that which is actually required to ensure that the views of communities and different

interested parties are taken into account. My worry here is that someone parachuted in from outside, with no knowledge of an area but a track record of dealing with applications quickly, may not be as sensitive to the needs of a local community. If I was a local MP in an area with particular planning pressures and had concerns about getting those decisions right, I would be very worried about the scenario that is developing.

The point has been made that in the end decisions will be left to the planning authority. What does that mean? Many authorities now delegate a lot of less important decisions about schemes that are not major—individual extensions to an individual property, for example—to officers. Will decisions be delegated to an alternative provider, or will the alternative provider have to make a recommendation to a planning officer to take the delegated decision? The proposal is very unclear. What is the situation? If the delegated decision is taken by an alternative provider, the decision is not taken with any local democratic input whatever. Or, if a delegated decision is passed on to a council officer, who pays for the time of that officer? The fee will have all gone to the alternative provider.

Let us come on to the decision that goes to a committee. Who writes the committee report? Will the alternative provider write the report and put the pros and cons of the application for councillors to decide, or will it be a council officer? If it is a council officer, who pays for the council officer's time? To what extent will there be liaison between the officer and the alternative provider? If it is not the council officer, an alternative provider is going to be appointed by the applicant to write the report for members of the planning committee. Does anyone think this might not affect the decision-making process? Of course it could.

Christian Matheson: Does my hon. Friend consider the possibility that the alternative provider might also be liable for costs if a planning decision was overtaken based on a recommendation it had given to the council committee that was incorrect in the first place?

Mr Betts: That would be a very interesting decision. When recommendations are made to councillors, very often reasons are given as part of the officer's report. If councillors follow those reasons, they would expect them to have a defensible case if an appeal were lodged. If the advice to councillors was wrong, however, it may be the council that incurs costs. Who is liable for those costs? I am not sure that that is spelled out either.

As I understand it, there is a requirement to share information between an alternative provider and the council. Presumably, the council is taking no fee—all the fee goes to the alternative provider—so who provides the council's costs? We have already heard that planning departments have had just about the largest cuts of any section of local government in the past five years. This is a service that has had major cuts. It will now have to continue to do some of the work on these schemes with no benefit at all from the fee, which means less resources for the planning department.

This matter ought to have been given a great deal more consideration. It has come in on Report with very little time to consider it. I have just raised some concerns about who, ultimately, will be responsible for extra costs, recommendations to the committee, writing reports

[Mr Betts]

and getting involved in delegated decisions. None of that appears to be covered by the clauses before us. I hope the Minister can give us some answers, because this is a worrying proposal that could undermine the accountability of the planning process to local communities.

Bill Wiggin (North Herefordshire) (Con): I rise to support new clause 58, which is a brilliant amendment designed to fulfil our ambition to be the greenest Government ever. It would apply to only 345,191 grade II listed buildings in England, which would be freed to add insulation and solar panels and make other environmentally important improvements without needing to go through the listed building consent process currently required for any alteration to a listed building or within the curtilage of that building. It would free up hard-working conservation officers and reduce costs and red tape, while ensuring that all the historical features protected by the listing remain protected and under the current restrictions.

The new clause would also remove the curtilage catch-all and deter homeowners who can afford to turn up the heating but must not. Instead, they could do better things to help fight climate change and reduce our reliance on fossil fuels. It is only a tiny amendment, so, not surprisingly, it is opposed by Historic England, which fears that the odd feature it has forgotten to list might be, what—insulated? It knows that things have to change and that we need to follow the success of the climate talks in Paris with practical changes. If the Government have a better way of delivering the curtilage removal, I will gladly withdraw the amendment and thank them on behalf of all our children and grandchildren.

Caroline Lucas (Brighton, Pavilion) (Green): I rise to support my amendment 74. One of the many reasons I oppose the Bill is that it takes power away from local communities and places it in the hands of private sector developers and central Government. It is a profoundly undemocratic Bill, and nowhere is that clearer than in the plans for planning authorities.

Essentially, the Bill will mean that local people have no say over developments in their neighbourhoods. The introduction of permission in principle will allow automatic planning permission on sites allocated for development without any scrutiny of the fine detail. Neither local authorities nor the public could object to development on these sites. It is the very opposite of the kind of democratically accountable local planning essential for sustainable development and the delivery of economic, environmental and social benefits. If I hear the Government say again that they are champions of localism, I will scream, because I cannot see how that is remotely consistent with a Bill that is all about taking power away from local planning authorities, local people and local scrutiny and placing it in private hands and the hands of Ministers. For that reason, my amendment would delete clause 111 altogether, getting rid of permission in principle.

I believe that local communities are best placed to understand the particular needs and detailed characteristics of their local area, but if such oversight is sidelined, we risk significantly compromising community resilience. I support the position set out by the hon. Member for

Dulwich and West Norwood (Helen Hayes), who spoke eloquently on this issue, pointing out the poor timing of this debate: we are discussing removing local knowledge from the planning system at a time when we are all deeply concerned about flooding and when the past month alone has shown us the importance of flood-risk appraisals when granting permission for development. It would be particularly foolish to remove those now.

Moreover, nothing in the Bill will limit permission in principle to brownfield sites alone or prevent it from being applied to any development on any land allocated in a so-called qualifying document. The consequences are far reaching. As the Town and Country Planning Association has pointed out, fracking could easily be given permission in principle as part of a minerals plan, which would be completely unacceptable. I am glad that Labour Members share my concern about permission in principle and the extent to which it undermines local democracy. I support their proposed measures to mitigate the associated damage, but I hope they will go further and support my amendment, which would delete the clause completely. I am pleased to see the amendments that are designed to create a right of appeal for locally interested parties and neighbourhood planning bodies against decisions to grant planning permission.

I am

Once again we see a Government who are not facing up to where the real problems are. When it comes to building much needed and truly affordable housing, it is not our planning process that is to blame for delays in delivery. We have heard from others in this Chamber about the size of land banks currently held by some of the biggest developers. It is simply not the case that the problem lies with the planning authorities. Instead of real problems being tackled, what we are seeing is essentially a power grab by central Government, which will not fix the housing crisis.

Finally, let me simply say that I share the concerns raised about new clause 43. Let us fund planning departments properly rather than undermine them still further. What we are seeing, as others have said, is essentially the privatisation of the planning system, destroying the last shreds of the democratic process that safeguards how our communities are made, putting power instead in the hands of developers. Dr Colenutt, a planning expert at the University of Northampton, has clearly said that this will replace a public sector ethos with a developer-led ethos. He points out that the designated persons are likely to be consultants who also work for the private sector. That introduces probable bias, reduces the public scrutiny trail still further and is likely to reduce the right of the public to comment on planning applications.

Local planning authorities are starved of funds. If the problem that the Government are trying to solve is that planning authorities are too slow, let us give them the funds to operate properly, not strip away their capacity. If we are serious about localism, let us ensure that control over our planning system remains with local authorities and local people.

Martin Vickers (Cleethorpes) (Con): I shall speak to new clauses 40 and 41, which stand in my name and those of some of my hon. Friends. To some extent, the proposals follow on from the ten-minute rule Bill that I

introduced last January and are designed to bring a greater element of fairness to the planning system, while giving our local communities a greater say in their future. It could indeed be described as localism in action. Many of the proposals are in line with those advocated a few minutes ago by my right hon. Friend the Member for Arundel and South Downs (Nick Herbert).

Our constituents often and in very large numbers oppose planning applications that they feel would change the character of their village or the part of town in which they live and to which they feel very attached. Campaigns build up and residents groups are formed, but at the conclusion many people rightly feel aggrieved—they know that the decision would not have gone against them had they been the applicant, who of course has the right of appeal. For the objectors, it is the end of the line. How can it be fair for only one party to have the right of appeal?

This feeling is particularly evident when the local planning authority has no adopted local plans in place. In reality, this means that the democratic process has let people down. The local council might well have turned down an application, but without a local plan in place, it would then find it almost impossible to defend the decision in front of a planning inspector, particularly when the applicant appeared with lawyers, expert witnesses and all the resources needed to ensure a successful outcome.

I do not suggest that every planning application that has attracted objections should automatically have the right of appeal. It is possible to argue that case, but in reality an application to extend a home by building a conservatory, for example, might irritate a neighbour, but it will not change the whole character of an area. If, however, the development of a new housing estate is approved, that could change a semi-rural, edge-of-town parish into an extension of the town itself. Strategic gaps between town and country are vitally important.

In my ten-minute rule Bill, I suggested that a hard-copy petition from local residents should be able to trigger an appeal to the planning inspector. What should the threshold be? I suggested 10% at that time, but I am not hung up on the mechanics; I would like to hear the Government concede to the principle.

Something must be done to protect residents when they have been let down by their local authority. Such a situation exists in the part of my constituency where North East Lincolnshire Council is the planning authority. Residents have suffered for many years because there is no up-to-date local plan and it will be at least another year before such a plan exists. That is unacceptable and leaves villages such as Humberston, New Waltham, Waltham, Laceby and Habrough open to a stream of applications. Some of those applications might be speculative, but they cause endless discontent among local people.

It is not necessarily the quality of the proposals that is in question, but the fact that local services and infrastructure are inadequate—school places, GP services and so on. There is a point at which the whole character of an area can be changed and strategic gaps between town and country may disappear. It is only right that local residents should have an opportunity to appeal.

If the Government reject a wider right for objectors to go to appeal, the very least they could do is allow parish councils the opportunity to lodge an objection

with the inspectorate for significant-sized developments. Too often their opinions are squeezed out. I do not seek to stop development. We all appreciate that we need new homes, but we need them in locations that carry the full blessing of local people.

Of course there must be a balance. The system must not stifle development or become a tool to promote nimbyism. My new clauses are designed not to prevent building, but merely to allow development in locations that carry a broad measure of public support. As I said at the beginning of my remarks, it is a matter of fairness. Of course the appeal may be lost, but both sides will have had the same opportunities to argue their case.

The new clauses are an opportunity to extend the claim that we are the real party of localism. We must do more to involve local people in shaping their communities—indeed, some local people know better than the planners. We need only consider some of the properties built in high-risk flood areas: had more notice been taken of those who serve on internal drainage boards or as flood wardens, or members of the farming community, and had they had a second opportunity to contribute, we might have had better decision making.

The Government have done and are doing a great deal to help. They are ensuring that in future local plans are delivered in a more timely way and they offer support for producing neighbourhood plans, but that only goes so far. Parish councils and neighbourhood groups find that their resources are limited. It is not just financial support that can help them produce such plans—they need the expertise of an experienced official. What I want to hear from the Minister when he sums up—always assuming that he is not going to congratulate me on a far-sighted, well-crafted new clause that the Government feel obliged to accept—is that through existing structures, within the context of the Bill and with appropriate guidance to planning authorities and inspectors, the same result can be achieved.

Dr Blackman-Woods: I am going to speak in support of a number of new clauses and amendments and speak briefly to the Government's new clauses.

New clause 50 would incorporate minimum space standards in building regulations for new dwellings in England. It seeks to ensure that new homes are of a high standard and are built with the realities of day-to-day life in mind.

In October 2015, the Government introduced a new housing standard called the national described space standard. That was supposed to improve the quality of new-build housing by ensuring that it was built to an adequate size. Unfortunately, it is voluntary and too complicated for most authorities to introduce.

Royal Institute of British Architects research shows that more than half of new homes being built today are not big enough to meet the needs of the people who buy them. The squeeze on the size of our houses is depriving thousands of families of the space needed for them to live comfortably. Moreover, establishing the standard within building regulations could minimise the bureaucracy at a local level and mean that councils had a ready-made measure that they could adopt. It is a straightforward proposal and I hope that even at this late hour the Minister will tell us that he is going to adopt it.

[Dr Blackman-Woods]

New clause 51 would allow local authorities to develop a planning fees schedule that would enable the full costs of processing planning applications to be recovered. Since 2010, local authorities' spending on planning has almost halved, falling from £2.2 billion then to £1.2 billion this year. That decline is second only to the decline in spending on cultural services. We heard from the Royal Town Planning Institute, which gave oral evidence to the Select Committee, that it believed that councils should be allowed to recoup the full costs of providing planning services. The point has rightly been made that good, well-run planning departments contribute to economic growth and development, and that they should be supported in that role.

The issue of overstretched local authorities was raised several times on Second Reading and in Committee. Local planning departments are experiencing reduced resources and greater pressure, as well as increasing insecurity, because people do not know when the next round of Government cuts will cause them to lose their jobs. The only way in which to address that is to ensure that planning departments have the resources that will enable them to work effectively.

I am pleased to note that what we said during all that time in Committee did not fall on completely deaf ears. Ministers appear to agree with us, in theory, that planning needs additional resources. However, new clause 45 is such a poor execution of that notion that it might as well not be there. We must ask why the Government have acknowledged the need for the full recovery of planning fee costs, but will allow that to happen only when the service is contracted out. Why have they not considered allowing local planning departments to do the same? What can they possibly mean by increased devolution if they do not even trust local planning authorities to set their own fees? I hope that the Minister will do something about that tonight.

New clause 57 would empower local planning authorities to impose a planning obligation when giving permission for the construction of new housing for sale by requiring a proportion of the housing to be marketed exclusively to local first-time buyers.

Sadiq Khan (Tooting) (Lab): My hon. Friend will know how fed up Londoners are with the current record low level of home building and what a con the Government's £450,000 starter homes are, but is she aware of the scale of the problem caused by developers selling homes in London to investors in Asia and the middle east before they have been completed and made available for purchase by Londoners? Will the new clause go some way towards ending that scandal?

Dr Blackman-Woods: My right hon. Friend has made an excellent point. We are, of course, entirely aware of that issue, which affects those in London and elsewhere. New clause 57 would enable a proportion of new homes to be held back exclusively for Londoners, or local people elsewhere, who wanted to buy their first homes. Anyone who supports the ability of Londoners to buy their own homes must surely support the new clause. I am sure that my right hon. Friend will want to ask the hon. Member for Richmond Park (Zac Goldsmith) whether he will support it, given that it seeks to ensure

that a number of new properties in London and elsewhere go to local first-time buyers. We know that this is a particular issue in London, because so many of the new properties are sold off plan to overseas investors before local people have a chance to enter the housing market.

Sadiq Khan: May I just make clear that I have nothing against foreigners? Some of my best friends and the families whom I know are foreigners. However, this is about fairness, and about giving first dibs to Londoners.

Dr Blackman-Woods: Absolutely, and that is what new clause 57 seeks to do, for Londoners and for a percentage of local people in all areas of the country where there is acute housing pressure. We want to ensure that some new housing is reserved, at least for a period, so that local people have a chance to get on to the housing ladder.

Amendment 100 would ensure permission in principle is limited to housing on brownfield land in England. We know that the Government's productivity plan indicated that the proposals for permission in principle would relate specifically to brownfield land, but the Bill itself places no such limitations upon it.

1.15 am

In Committee the Minister said:

"We intend to limit the type of development that can be granted permission in principle to housing-led development"—[*Official Report, Housing and Planning Public Bill Committee*, 3 December 2015; c. 545.]

but we cannot see those limits in the Bill as it stands. As the Bill proposes such a major change to the planning system, and as permission in principle brings about a bypassing of the way in which local people can have their say in planning decisions, it is very important that we hear more from the Minister tonight about how permission in principle will act in practice. We know that there are now a number of different ways in which planning applications can be assessed and planning permission can be given. It has become very complicated and it is increasingly difficult for local people to be able to participate in the planning system because of these various routes. It is also a problem for developers and we would like to hear a bit more from the Minister this evening about how it is going to operate in practice.

Amendments 101 and 102 would ensure that communities continue to have a say on decisions that affect them through their local planning committees and local plan process. It asks that permission in principle and technical details consent will be subject to consultation with local authorities and their communities. Again, this is a straightforward amendment to ensure more say is given to local people in planning applications that affect them.

Amendment 70 would ensure that permission in principle would expire when the plan that relates to that permission is no longer relevant if the development has not already taken place. Clause 111 appears to confirm that permission in principle can outlast the plan that created the permission, and this raises questions about how, in the absence of a plan, the technical details stage can be determined. Again, this is a straightforward amendment. It simply removes one word from clause 111, but has far-reaching consequences in ensuring there is a time limit, at least to some extent, for permission in principle.

Amendment 71 suggests that material considerations should be able to overturn permission in principle where those material considerations could not have been foreseen beforehand. We had an interesting discussion in Committee about this, and the Minister's response was that the permission in principle should give upfront certainty on the core matters underpinning the suitability of the site, namely its use, location and the amount of development, and allow matters of detail to be agreed subsequently. Our point in the amendment is that if something emerges that could not have been known at that material consideration technical detail stage, how will permission in principle be overturned when the legislation simply does not allow that to happen?

Amendment 72 seeks to ensure that there is some certainty for communities and developers. Permission in principle would last only for a period of five years to ensure it does not contribute to land-banking.

Amendment 103 would insert an explicit duty in clause 112 so that it considers sustainable development and place-making when sites are included on a local register of land. We think that that is very important, and that is why we wanted to ensure that amendment 70 was discussed this evening. Land that is on the register should conform to place-making and sustainable development obligations, because we know that too often place-making objectors fall off the agenda. In Committee, the Minister suggested that the national planning policy framework covered all those issues. Well, if it does, there will be no harm in putting them into the Bill as well, because they will already conform to Government policy.

Amendment 104 seeks to ensure that when urban development corporations introduce new garden cities, as in the case of Ebbsfleet, those cities should conform to garden city principles. We believe that this is really important. A place cannot simply be turned into a garden city by calling it a garden city. If it is going to be a garden city, it should conform to the principles of having a strong vision, community engagement, community ownership of land, mixed tenure of homes, employment opportunities, beautiful and imaginatively designed homes, green spaces, opportunities for residents to grow their own food, strong communities and so on. If that is what the Government intend for their new garden cities, will they please put some detail about what those cities should be like into the Bill?

New clause 49 will give councils the power of direction in relation to publicly owned land, to enable it to be brought forward more quickly to support redevelopment or regeneration opportunities. We all know that, in certain circumstances, there is a need to speed up the process of the assembly of surplus land.

We have a real issue with a number of the Government's new clauses, and I want to reiterate some of the points that other Members have made about them. The new clauses relating to planning were tabled extremely late, over the Christmas period. There was no opportunity to discuss any of them in Committee, yet they will introduce fundamental and systemic changes to our planning system. It is not us on the Opposition Benches who have been incompetent in the management of this Bill. The Government simply should not be producing so many important, far-reaching clauses at this stage of the Bill.

Government new clause 31 introduces a new definition of affordable housing that includes starter homes. We object strongly to starter homes being included in that definition of affordable housing. In fact, many Opposition Members have said that it will render the term "affordable housing" useless. It is also a travesty that there can be no real scrutiny of these new clauses, and that we will have to leave it to the other place to carry out that role.

We take a similar view of Government new clauses 43 to 45, which my hon. Friend the Member for Sheffield South East (Mr Betts) has said amount to a privatisation of the planning process. That is what we think they will do. They will require local authorities to contract out at least some of the processing of their planning applications in order to give developers some ability to choose who processes their planning application. I cannot believe that the Government are serious about this. I know that they tend to carry out pilots, but they must realise that the potential for this mechanism to generate a degree of corruption and totally inappropriate conflicts of interest is probably endless. These new clauses need to be subjected to a degree of scrutiny that will not be possible this evening. It has not been possible for the planning agencies that will be affected by the changes to have a say or to have any input into the process. That is quite frankly disgraceful, because these will be huge changes to the planning system.

Although we can see that new clauses 32 to 36 attempt to ensure that more land comes forward for development, we think they are draconian. They force a range of public bodies to give up land for development, whether or not it seems to be appropriate, because there will be a requirement for them to reduce the amount of estate they hold. Again, it would have been useful to have had these clauses tabled earlier, so that we could have examined them in more detail in Committee. That job will again have to be left to the other place.

Finally, in addition to Opposition Members having real problems about the direction of the Government's planning policies, some Government Members clearly have issues with the way in which local communities will have very little say in planning decisions that affect them. The hon. Member for Cleethorpes (Martin Vickers) and the right hon. Member for Arundel and South Downs (Nick Herbert) have tabled interesting new clauses that seek to ensure that local authorities, through parish councils or neighbourhood plans, have a greater right of appeal on planning decisions. We would seek to support those new clauses, and I hope the Minister takes them on board this evening. With that, I shall conclude my comments, after merely saying to the Minister that the planning system that he is putting in place will be his planning system, and we will judge him on it in the coming years.

Stephen Hammond (Wimbledon) (Con): I was lucky enough to be chosen by the Whips to serve on the Bill Committee, and one great chink of light in the tunnel of that seemingly interminable yet fascinating debate was that one knew that we had Ministers who were listening to us on the Back Benches. I therefore say to the Chairman of the Select Committee and to the hon. Member for City of Durham (Dr Blackman-Woods) that it is quite wrong to say that Government new clauses 43 to 46 were suddenly dropped in today. This idea was spoken about several times in Committee, but most notably in the stand part debate on clause 102.

[Stephen Hammond]

I want to address some of the issues that the hon. Member for Sheffield South East (Mr Betts) raised in a moment, but the reason why I particularly asked the Minister to think about this—he promised to do so and has therefore brought these clauses back today—was in direct contradiction to what the hon. Member for Brighton, Pavilion (Caroline Lucas) said. She may be right that the planning system is not the only problem with generating new housing, but I cannot be the only Member of this House who has met local architects and local small developers, and forced the chief executive of the local council to come to a meeting because the failure of the planning department was stopping economic development and stopping housing being built. I am not talking about building by large developers or people sitting on land banks, but about building by small developers. That point was raised absolutely in Committee, when I, along with several of its members, asked the Minister to think about it.

I accept that this is a pilot and that there may or may not be some problems, but the Minister has clearly set out in these new clauses what he is aiming to do, which is to have not privatisation but competition between some planning authorities—and it is likely to be local planning authorities. As a London borough Member, I have encountered a development on a piece of land that is split between two local authorities, one of which is dragging its heels with the planning process. The application is now therefore going to the other local planning authority for it to move the process forward. If we want to generate the building of more housing, and we do, for it is a stated aim of this Government, it is not unreasonable to get some competition into the process, not the decision.

This Government and the Minister's proposals are in no way undermining localism and the trust that is being put in local planning committees or local planning officers, who will make the final decision under delegated powers. We are seeking to allow small-scale developers to make applications and to get those processed more quickly. Opposition Members may have a number of reservations about that, but Government Members will be thanking the Minister for listening and introducing these new clauses, because they will give substantial help in reaching the target that we want small-scale developers to achieve. I urge the Minister to continue to reject the arguments made by the hon. Member for City of Durham.

I would have spoken to new clauses 32 and 36 but, having looked at the time, I think the House will probably benefit from my sitting down.

1.30 am

Robert Neill (Bromley and Chislehurst) (Con): I hope that I can trespass on the House's time for a little while to offer perhaps a starter and a bonus as far as the Bill is concerned. I am talking about the discrete issue of nationally significant infrastructure projects, and in particular about clause 116 and amendment 78, which stands in my name. The bonus is that it deals with fairness in relation to land compensation, which is something that we have talked about on a number of occasions.

The particular issue is that under clause 116, the development consent orders, which are part of the nationally significant infrastructure project regime, are extended beyond the infrastructure projects themselves to related housing development. It can be housing development that is adjacent or linked to the scheme. Equally, it can be housing development that is physically very close to the scheme. I do not have a problem with that, and there will be a number of instances where the creation of a piece of infrastructure either opens up land sensibly for access to development for housing or may sever land that might be farmland or similar from the rest of the agricultural holding. In that case, it is more sensible then to use it for housing as it is not viable as an agricultural unit or some other type of business unit. There is no problem there.

The unique feature of development consent orders is that they combine both the granting of planning permission and the making of a compulsory purchase order for the acquisition of the land. The issue that amendment 78 seeks to deal with is that under current compulsory purchase law, land acquired compulsorily—be it for this purpose or whatever—is compensated at current use value. In the majority of cases, that is likely to be agricultural value. Under certain circumstances, it might be a business value, but it is highly unlikely ever to be housing value. If the land had permission for housing, it would be dealt with by private treaty and there would not be the need to seek a compulsory purchase order anyway. What we are seeking to deal with is the anomaly that, for perhaps perfectly good reasons, an acquiring authority—it could be a public authority or it could equally be a private developer bringing forward a scheme either on their own or in partnership with a public agency—could, by getting a development consent order, acquire land from a small business at agricultural value and immediately get a significant uplift to housing value.

Under current arrangements, there is no means for the landowner or the business person, who may have seen their holding or business disrupted, to acquire by way of compensation any of the uplift in that value that comes from the granting of housing permission. That seems to me and to many to be unfair, which is why it has been raised by the Country Land and Business Association. The amendment seeks to address that by requiring the guidance, which clause 116 already says must be put in place, to include specifically the payment of the proper land value compensation at housing value.

The Minister may say that there are other means of dealing with that matter other than by primary legislation, but I hope he will accept that this is a real issue. In fairness to many small businesses and landowners who are affected by these important proposals, which are broadly for the public good, there should be some means of enabling them not to lose out on the uplift in value, which will, in effect, be a windfall to the acquiring authority.

I would welcome it if the Minister looked favourably on this amendment. If he does not, I hope that he will at least be prepared to talk to those who are concerned about this matter and see whether there is some other way, short of primary legislation, to take it forward and seek to resolve it.

John Howell (Henley) (Con): I understand completely where my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) and my hon. Friend

the Member for Cleethorpes (Martin Vickers) are coming from, but I take a slightly different view. Let me start with finalised neighbourhood plans. I have some sympathy with their argument that there should be a community right of appeal in these circumstances, but when we looked at this in the context of the Localism Act 2015, we originally did not include it to avoid the situation where part of a community would appeal against something that the rest of the community had just voted on. I urge Ministers to look at the issue again in the context of the Bill to see whether that problem can be worked out.

On emerging plans, I take a completely different view. First, such plans already have protection. The closer they get to finalisation, the stronger that becomes. Secondly, if communities undertaking neighbourhood plans start off at the end point rather than at the beginning, they are likely to have lots of help along the way, including at appeals.

Kit Malthouse (North West Hampshire) (Con) *rose*—

John Howell: I will not take interventions at this late stage.

The end point is not the inspection, but the referendum. Many communities in my own constituency have started the process of producing a neighbourhood plan and for one reason or another have abandoned it along the way, in some cases fairly close to the referendum. There is many a slip before the referendum takes place and votes are counted. To take the view that emerging plans should have a greater degree of protection would sterilise a whole area from development while that neighbourhood plan was theoretically an option. Plans have a proper place and they are being followed at appeal. There are examples of front-runners in my constituency where development has been proposed that was not in accordance with the neighbourhood plan and it was rejected at appeal.

Neighbourhood plans share responsibility with the district or borough council for the development of the planning system for their location. It is not just a matter of protecting a village. It is a view of the development of the village for the future, and in my experience the planning inspectorate is fully prepared to back those plans as they proceed.

Brandon Lewis: This has been a worthwhile and an interesting debate. The comments of the hon. Member for City of Durham (Dr Blackman-Woods) about the amendments were a bit rich, given that we had made changes and allowed extra time in Committee for her and her colleagues, and bearing in mind that we tabled the amendments back in December. Her comments on Opposition amendments repeated conversations that we had in Committee, so I do not intend to rehearse those and detain the House further on issues that we have already discussed.

On Opposition new clause 57, I made it clear in Committee that we need a radical shift in the way the housing market supports young first-time buyers so that we do not condemn a whole generation to uncertainty and insecurity. That is why we want to see 200,000 new starter homes built over this Parliament exclusively for young first-time buyers at a minimum of a 20% discount on open market value to help them into low cost home ownership.

I thank my hon. Friend the Member for North Herefordshire (Bill Wiggin) for his contribution. I understand the points that he made and I will take them on board and review them along with my ministerial colleague, the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton), who I know will be willing to meet him and interested bodies to discuss how we can take matters forward in an appropriate way.

I listened carefully to the arguments put forward by my hon. Friend the Member for Bromley and Chislehurst (Robert Neill). He is a respected former Minister in my Department with a wealth of experience and expertise. I believe that his concerns are addressed by provisions in existing legislation, but I am very willing to meet him and interested bodies, such as the CLA, to discuss making sure that the provisions in place are adequate.

I also welcome the comments from my hon. Friend the Member for Cleethorpes (Martin Vickers) and my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) on ensuring that communities have a strong voice in planning. My right hon. Friend focused, in particular, on infrastructure. He is quite right to draw attention to the cost of development, so I thank him for doing so. It is right that new development should be supported by an appropriate level of infrastructure and that developers should provide support to put that in place. That is what the negotiations on section 106 and the community infrastructure levy are for. We would expect any significant infrastructure that would be needed to support a proposed new development to be a material consideration for the planning decision, and therefore covered in detail in planning reports for a local authority. We would therefore expect the costs associated with putting the necessary infrastructure in place to be covered.

I believe that the concerns expressed by my right hon. Friend the Member for Arundel and South Downs about neighbourhood plans are a clear indication of the strength of feeling that people have about ensuring that their voices are heard. I very much appreciate the intention of the amendment, as the Government place great importance on neighbourhood plans. However, I hope that I can convince him and other colleagues that these amendments are not necessary at this stage.

Neighbourhood plans give communities the power to shape the development of their area. When a neighbourhood plan is made, it becomes part of the development plan and attains the same weight in law as a local plan, as it forms the basis for decisions on planning applications. The law is clear: decisions should be made in accordance with the development plan, with material considerations taken into account. The national planning policy framework is also very clear. It states:

“Where a planning application conflicts with a neighbourhood plan that has been brought into force, planning permission should not normally be granted.”

That is well understood by local planning authorities.

I want to be clear that a “made” neighbourhood plan is a clear indication of a community’s vision for its local area, as my hon. Friend the Member for Henley (John Howell) has outlined, and it should be respected as such. I would expect local authorities and the Planning Inspectorate to give due weight to neighbourhood plans as they progress towards adoption. The NPPF itself is

[Brandon Lewis]

clear that the more advanced the plan, the greater the weight that may be given to it. Communities have their say throughout the local and neighbourhood plan-making process. Indeed, neighbourhoods have the ultimate say with their referendum. Their views must be considered when decisions are taken on applications. The Bill speeds up and simplifies that neighbourhood planning process, which underlined the importance we place on it.

The system is therefore already geared towards ensuring that communities' views are taken into account, and local authorities must respect that. If communities are concerned that their plans are not being respected as they should be, the Secretary of State has powers to intervene. I can confirm that the Secretary of State will continue to consider intervention to recover certain appeals where there is a made or submitted neighbourhood plan. I can further confirm that I intend shortly to lay a revised ministerial statement extending and confirming the current recovery criterion for a further six months. During that period, we will continue to review the measures. I hope that my hon. Friends who have spoken tonight and others who are interested will work with us and feed into that period.

The improvements that we are proposing in the Bill will strengthen and revitalise the planning system. They are a real shot in the arm, which will get new homes built with fewer quarrels and less delay. The changes that we are making will assist those who run into difficulties, for example when negotiating section 106 agreements, giving people clarity and security that homes given planning permission will actually be built, and built in good time.

We are continuing to set the bar as high as possible on how public land will be used. As the Prime Minister said on Monday, we will ensure that we get Britain building.

Mr Betts: Will the Minister give way?

Brandon Lewis: Not at this stage.

These amendments will allow us to capitalise on our progress and ensure that public sector land and the planning system is fit for the future. I hope that colleagues will reflect on these comments and not feel the need to press their amendments to a vote. I commend our new clauses to the House.

Question put and agreed to.

New clause 29 accordingly read a Second time, and added to the Bill.

New Clause 30

RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS

“(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Resolution of disputes about planning obligations

Schedule 9A (resolution of disputes about planning obligations) has effect.”

(2) After Schedule 9 to that Act insert, as Schedule 9A, the Schedule set out in Schedule (Resolution of disputes about planning obligations: Schedule to be inserted in the Town and Country Planning Act 1990) to this Act.

(3) In section 106 of that Act, in subsection (1), for “and sections 106A to 106C” substitute “, sections 106A to 106C and Schedule 9A”. —(Brandon Lewis.)

This new clause inserts a new section 106ZA in the Town and Country Planning Act 1990, which gives effect to new Schedule 9A to that Act. Schedule 9A is set out in new Schedule NS4. The new Clause also makes a consequential amendment.

Brought up, read the First and Second time, and added to the Bill.

New Clause 31

PLANNING OBLIGATIONS AND AFFORDABLE HOUSING

“(1) After section 106ZA of the Town and Country Planning Act 1990 (inserted by section (Resolution of disputes about planning obligations) above) insert—

“106ZB Enforceability of planning obligations regarding affordable housing

(1) Regulations made by the Secretary of State may impose restrictions or conditions on the enforceability of planning obligations entered into with regard to the provision of—

- (a) affordable housing, or
- (b) prescribed descriptions of affordable housing.

(2) Regulations under this section—

- (a) may make consequential, supplementary, incidental, transitional or saving provision;
- (b) may impose different restrictions or conditions (or none) depending on the size, scale or nature of the site or the proposed development to which any planning obligations would relate.

Paragraph (b) is without prejudice to the generality of section 333(2A).

(3) In this section “affordable housing” means new dwellings in England that—

- (a) are to be made available for people whose needs are not adequately served by the commercial housing market, or
- (b) are starter homes within the meaning of Chapter 1 of Part 1 of the Housing and Planning Act 2016 (see section 2 of that Act).

(4) “New dwelling” here means a building or part of a building that—

- (a) has been constructed for use as a dwelling and has not previously been occupied, or
- (b) has been adapted for use as a dwelling and has not been occupied since its adaptation.

(5) The Secretary of State may by regulations amend this section so as to modify the definition of “affordable housing”.

(2) In section 333 of that Act (regulations and orders), after subsection (3) insert—

“(3ZA) No regulations may be made under section 106ZB unless a draft of the instrument containing the regulations has been laid before, and approved by a resolution of, each House of Parliament.” —(Brandon Lewis.)

The section inserted in the Town and Country Planning Act 1990 by this new clause confers power to make affirmative-resolution regulations about obligations entered into under section 106 of that Act with regard to affordable housing, and defines “affordable housing” so as to include starter homes (see Chapter 1 of Part 1 of the Bill).

Brought up, read the First and Second time, and added to the Bill.

New Clause 43

PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS

‘(1) The Secretary of State may by regulations make provision for a planning application that falls to be determined by a specified local planning authority in England to be processed, if the applicant so chooses, not by that authority but by a designated person.

(2) The regulations must provide that the option to have a planning application processed by a designated person—

- (a) does not affect a local planning authority’s responsibility for determining planning applications, and
 - (b) applies only until a specified date.
- (3) The regulations may provide that—
- (a) they apply only to planning applications for development of a specified description;
 - (b) designations of persons by the Secretary of State (see subsection (7)) may be made so as to apply only in relation to planning applications for development of a specified description.
- (4) The regulations may—
- (a) apply or disapply, in relation to England, any enactment about planning;
 - (b) modify the effect of any such enactment in relation to England.

(5) Sections (Regulations under section (Processing of planning applications by alternative providers): general) to (Regulations under section (Processing of planning applications by alternative providers): information), which set out matters that may be included in regulations under this section, do not limit the power in section 142(5) (to make supplementary provision etc).

(6) For the purposes of this group of sections (that is, this section and sections (Regulations under section (Processing of planning applications by alternative providers): general) to (Regulations under section (Processing of planning applications by alternative providers): information)), processing a planning application means taking any action in relation to the application (other than determining it) of a kind that—

- (a) might otherwise be taken by or for the responsible planning authority, and
- (b) is specified in the regulations.

(7) In this group of sections “designated person” means a person—

- (a) who is designated by the Secretary of State in accordance with the regulations, and
- (b) whose designation has not been withdrawn in accordance with the regulations.

The Secretary of State may designate a local planning authority.

(8) In this group of sections—

- “local planning authority” has the same meaning as in the Town and Country Planning Act 1990;
- “planning application” means an application for planning permission under Part 3 of that Act;
- “responsible planning authority”, in relation to a planning application, means the local planning authority responsible for determining the application;
- “specified” means specified in regulations under this section.” —(*Brandon Lewis.*)

This new clause would give the Secretary of State the power, by regulations, to introduce pilot schemes for competition in the processing (but not the determining) of applications for planning permission.

Brought up, read the First and Second time, and added to the Bill.

New Clause 44

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): GENERAL

‘(1) Regulations under section (Processing of planning applications by alternative providers) may make provision—

- (a) requiring a designated person to process a planning application, except in specified circumstances, if chosen to do so by an applicant;
- (b) allowing a responsible planning authority to take over the processing of a planning application from a designated person in specified circumstances.

(2) The regulations may make provision about—

- (a) eligibility to act as a designated person;
- (b) the capacity of a local planning authority to act as a designated person;
- (c) actions to be taken or procedures to be followed—
 - (i) by persons making planning applications,
 - (ii) by designated persons, or
 - (iii) by responsible planning authorities,
 and periods within which the actions or procedures are to be taken or followed;
- (d) matters to be considered by designated persons or responsible planning authorities;
- (e) performance standards for designated persons;
- (f) the investigation of complaints or concerns about designated persons;
- (g) the circumstances in which, and the extent to which, any advice provided by a designated person to a person making a planning application is binding—
 - (i) on the responsible planning authority, or
 - (ii) on designated persons other than the one providing the advice;
- (h) cases where a person ceases to be a designated person or where a designated person is unable to continue processing a planning application.

(3) The provision that may be made under subsection (2)(c) includes provision requiring a designated person to provide assistance to the responsible planning authority in connection with—

- (a) any appeal against the authority’s determination of the application;
- (b) any application to the court made in relation to that determination.

(4) The provision that may be made under subsection (2)(f) includes—

- (a) provision about the payment of compensation;
- (b) provision for a designated person to be required to indemnify the responsible authority for any compensation that the authority is required to pay;
- (c) provision applying anything in Part 3 of the Local Government Act 1974 (local government administration) with or without modifications.

(5) The regulations may confer powers on the Mayor of London or the Secretary of State in cases where a direction is given under section 2A or 77 of the Town and Country Planning Act 1990 (“call-in” directions).”—(*Brandon Lewis.*)

This new clause provides that regulations under NC43 may provide for various matters including the actions and procedures to be followed during the pilot schemes, the eligibility of persons to act as designated persons, the setting of performance standards, and how conflicts of interest and the investigation of complaints are dealt with.

Brought up, read the First and Second time, and added to the Bill.

New Clause 45

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): FEES AND PAYMENTS

“(1) Regulations under section (Processing of planning applications by alternative providers) may make provision about—

- (a) the setting, publication and charging of fees by designated persons or responsible planning authorities;
- (b) the refunding of fees, by designated persons or responsible planning authorities, in specified circumstances.

(2) The provision that may be made under subsection (1)(a) includes provision giving power to the Secretary of State to prevent the charging of fees that he or she considers excessive.

(3) The provision that may be made under subsection (1)(b) includes provision requiring a designated person or a responsible planning authority to refund to an applicant some or all of a fee paid by the applicant to a designated person where the person or the authority fails to do a particular thing within a specified period.

(4) The regulations may authorise the making of payments by the Secretary of State to local planning authorities or designated persons.”—(*Brandon Lewis.*)

This new clause provides that regulations under NC43 may include provision for the setting, publishing and charging of fees by designated persons and planning authorities in pilot areas, and for the refunding of fees; it also includes power for the Secretary of State to intervene in relation to excessive fees.

Brought up, read the First and Second time, and added to the Bill.

New Clause 46

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): INFORMATION

“(1) Regulations under section (Processing of planning applications by alternative providers) may make provision—

- (a) requiring responsible planning authorities to disclose information to designated persons;
- (b) requiring designated persons to disclose information to responsible planning authorities or to other designated persons;
- (c) restricting the uses to which information disclosed by virtue of paragraph (a) or (b) may be put;
- (d) restricting further disclosure of such information.

(2) The regulations may make provision for designated persons or responsible planning authorities to be required to provide information to the Secretary of State.”—(*Brandon Lewis.*)

This new clause provides that regulations under NC43 may provide for information-sharing (about, for example, the planning history for land to which an application relates), may restrict uses to which shared information may be put, and may require information to be provided to the Secretary of State.

Brought up, read the First and Second time, and added to the Bill.

New Clause 57

PLANNING OBLIGATIONS: LOCAL FIRST-TIME BUYERS

“(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Planning obligations in respect of local first-time buyers

(1) When granting planning permission under 70(1)(a), or permission in principle under 70(1A)(a), for the construction of new dwellings for sale, the local planning authority may require that a proportion of the dwellings are marketed exclusively to local first-time buyers for a specified period.

(2) The “specified period” in subsection (1) must start no earlier than six months before the new dwellings have achieved, or are likely to, practical completion.

(3) “First-time buyer” in subsection (1) has the meaning given by section 57AA(2) of the Finance Act 2003.

(4) The Secretary of State may by regulations—

- (a) define the “specified period” in subsection (1),
- (b) define “local” in subsection (1), and
- (c) the definition “local” may vary according to specified circumstances.

(5) The regulations in subsection (4) so far as they apply to local planning authorities in Greater London will not apply to these authorities unless the Secretary of State has consulted and received the consent of the Greater London Authority.””
—(*Dr Blackman-Woods.*)

This new clause would empower local planning authorities to impose a planning obligation when giving planning permission for the construction of new housing for sale requiring that a proportion of the housing is marketed exclusively to local first time buyers.

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The Committee divided: Ayes 72, Noes 277.

Division No. 156]

[1.45 am

AYES

Abbott, Ms Diane
Bailey, Mr Adrian
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Cadbury, Ruth
Campbell, rh Mr Alan
Coyle, Neil
Creasy, Stella
Danczuk, Simon
Dowd, Peter
Edwards, Jonathan
Efford, Clive
Elliott, Tom
Farrelly, Paul
Fitzpatrick, Jim
Green, Kate
Griffith, Nia
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hussain, Imran
Jarvis, Dan
Jones, Gerald
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Khan, rh Sadiq
Kinahan, Danny
Kyle, Peter
Lewell-Buck, Mrs Emma
Lewis, Clive

Long Bailey, Rebecca
Lucas, Caroline
Madders, Justin
Maskell, Rachael
Matheson, Christian
McGinn, Conor
McInnes, Liz
McMahon, Jim
Morden, Jessica
Morris, Grahame
M.
Mulholland, Greg
Murray, Ian
Onn, Melanie
Osamor, Kate
Owen, Albert
Pennycook, Matthew
Phillips, Jess
Rayner, Angela
Rimmer, Marie
Saville Roberts, Liz
Skinner, Mr Dennis
Smeeth, Ruth
Smith, Cat
Starmer, Keir
Stevens, Jo
Streeting, Wes
Tami, Mark
Thomas-Symonds, Nick
Turley, Anna
West, Catherine
Williams, Mr Mark
Winnick, Mr David
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:

Sue Hayman and
Jeff Smith

NOES

Adams, Nigel
Afriyie, Adam

Allan, Lucy
Amess, Sir David

Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Bacon, Mr Richard
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh
 James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Cartledge, James
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Double, Steve
 Drummond, Mrs Flick
 Duddridge, James
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Ellwood, Mr Tobias
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella

Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr
 Philip
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hurd, Mr Nick
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr
 Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark

Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr
 Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McLoughlin, rh Mr
 Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Redwood, rh John
 Rees-Mogg, Mr Jacob

Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Smyth, Karin
 Solloway, Amanda
 Soubry, rh Anna
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Mr Desmond
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Tugendhat, Tom
 Turner, Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:

**Sarah Newton and
 Simon Kirby**

Question accordingly negated.

New Schedule 4 “SCHEDULE

RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS: SCHEDULE TO BE INSERTED IN THE TOWN AND COUNTRY PLANNING ACT 1990

	“SCHEDULE 9A	Section 106ZA
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RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS

Appointment of person to help resolve disputes

1 (1) This paragraph applies where—

- (a) a person (“the applicant”) has made an application for planning permission or an application of a prescribed description (“the application”) to a local planning authority in England,
- (b) there are unresolved issues regarding what should be the terms of any section 106 instrument, and
- (c) any prescribed conditions are met.

(2) The Secretary of State must (subject to sub-paragraphs (6) to (8)) appoint a person to help with the resolution of the unresolved issues if—

- (a) the Secretary of State thinks that the local planning authority would be likely to grant the application if satisfactory planning obligations were entered into, but not otherwise, and
- (b) sub-paragraph (3), (4) or (5) applies.

(3) This sub-paragraph applies where the applicant or the authority requests the Secretary of State to make an appointment.

(4) This sub-paragraph applies where—

- (a) a person of a prescribed description requests the Secretary of State to make an appointment, and
- (b) any prescribed requirements as to the consent of the applicant or the authority are satisfied.

(5) This sub-paragraph applies where—

- (a) regulations require an appointment to be made, in prescribed circumstances, if the unresolved issues have not been resolved by the end of a prescribed period,
- (b) the circumstances are as prescribed, and
- (c) the unresolved issues have not been resolved by the end of that period.

(6) The Secretary of State may decline to make an appointment in prescribed circumstances.

(7) Regulations must provide that—

- (a) no appointment is to be made under this paragraph before the end of a prescribed period;
- (b) no appointment is to be made in response to a request under sub-paragraph (3) or (4) if the request is withdrawn before the end of that period.

(8) No request may be made under sub-paragraph (3) or (4), and sub-paragraph (5) does not apply—

- (a) if the application has been referred to the Secretary of State under section 77;
- (b) if the applicant has appealed to the Secretary of State under section 78(2) in respect of the application;
- (c) if the applicant has made an application to the court, which has not been disposed of, in respect of it;
- (d) in such other circumstances as may be prescribed.

Co-operation etc with person appointed under paragraph 1

2 Where a person is appointed under paragraph 1 the parties must—

- (a) co-operate with the person;
- (b) comply with any reasonable requests by the person to provide information or documents or to take part in meetings.

Report by appointed person

3 (1) A person appointed under paragraph 1 must prepare a report and send it to the parties.

(2) The report must—

- (a) identify the unresolved issues;
- (b) indicate the steps taken since the person’s appointment to try to resolve those issues.

(3) If—

- (a) agreement is reached between the local planning authority and those who are proposing to enter into planning obligations, before the report is sent to the parties, on what are to be the terms of the section 106 instrument, and
- (b) the appointed person is aware of the agreement,

the report must set out the terms agreed.

(4) Where sub-paragraph (3) does not apply, the report must set out the appointed person’s recommendations as to what terms would be appropriate.

(5) In deciding what recommendations to make under sub-paragraph (4), the appointed person must have regard to any template or model for section 106 instruments that is published by the Secretary of State.

(6) The local planning authority must publish the report in accordance with any provision made by regulations about the manner and time of publication.

Temporary prohibition on refusal or appeal

4 (1) Where paragraph 1(3), (4) or (5) applies, the applicant may not appeal to the Secretary of State under section 78(2) in relation to the application before—

- (a) the resolution process has come to an end, and
- (b) the applicant has paid any fees or costs that the applicant is required to pay by virtue of paragraph 10(3) or (4)(c).

(2) Where paragraph 1(3), (4) or (5) applies and the local planning authority are minded to refuse the application, they may not do so before—

- (a) the resolution process has come to an end, and
- (b) the authority have paid any fees or costs that they are required to pay by virtue of paragraph 10(3) or (4)(c).

(3) For the purposes of this paragraph, the resolution process comes to an end—

- (a) on the expiry of the period prescribed under paragraph 1(7), if paragraph 1(5) does not apply and the request under paragraph 1(3) or (4) is withdrawn (or, where more than one such request has been made, they are all withdrawn) before the end of that period;
- (b) when the Secretary of State declines to appoint a person under paragraph 1, if the Secretary of State declines make an appointment;
- (c) when the parties agree that the process has come to an end, if they agree that it has;
- (d) when the local planning authority publish the appointed person’s report, if paragraph (a), (b) or (c) does not apply.

Effect of appointed person’s report: planning obligations entered into

5 (1) This paragraph applies where—

- (a) a local planning authority are determining an application in connection with which—
 - (i) a report has been prepared under paragraph 3, and
 - (ii) planning obligations have been entered into, and
- (b) the section 106 instrument satisfies the requirements of sub-paragraph (2).

(2) A section 106 instrument satisfies the requirements of this sub-paragraph if—

- (a) the instrument is in accordance with the terms or recommendations reported under paragraph 3(3) or (4), or
- (b) the instrument is executed before the end of a prescribed period and the local planning authority—
 - (i) are a party to it, or
 - (ii) notify the applicant, before the end of that period, that they are content with the terms of it.

(3) The local planning authority must not refuse the application on a ground that relates to the appropriateness of the terms of the section 106 instrument.

(4) If the local authority grant the application, the authority's power to make the grant conditional on a person undertaking—

- (a) a planning obligation other than one entered into by the section 106 instrument, or
- (b) an obligation of some other kind,

is subject to any limitations specified in regulations.

Effect of appointed person's report: no planning obligations entered into

6 Where—

- (a) a local planning authority are determining an application in connection with which a report has been prepared under paragraph 3,
- (b) the report records (under paragraph 3(3)) an agreement that planning obligations are to be entered into, or recommends (under paragraph 3(4)) that planning obligations are entered into, and
- (c) no section 106 instrument is executed before the end of a prescribed period,

The local planning authority must refuse the application.

Effect of appointed person's report: further provision

7 (1) Where a report is prepared under paragraph 3 in connection with an application—

- (a) the local planning authority determining the application must have regard to the report, to the extent that this requirement is consistent with the restrictions in paragraphs 5 and 6;
- (b) a person determining an appeal against the authority's decision on the application, or an appeal under section 78(2) in respect of the application, must have regard to the report but is not subject to those restrictions.

(2) Regulations may prescribe cases or circumstances in which a restriction in paragraph 5 or 6 does not apply.

Appointment in connection with two or more applications

8 (1) A person may be appointed under paragraph 1 in connection with two or more applications if the same or similar issues arise on both or all of them.

(2) In such cases—

- (a) the provisions of this Schedule apply separately in relation to each application, but
- (b) a single report may be made under paragraph 3 in relation to both or all of the applications.

Exercise of functions on behalf of the Secretary of State

9 (1) The Secretary of State may arrange for a function of the Secretary of State under paragraph 1 (other than a function of making regulations) to be exercised by any body or person on behalf of the Secretary of State.

(2) A reference in this Schedule to the Secretary of State is to be read, where appropriate, as including a reference to a body or person exercising functions under any such arrangements.

(3) Arrangements under this paragraph—

- (a) do not affect the responsibility of the Secretary of State for the exercise of the function;

- (b) may include provision for payments to be made to the body or person exercising the function under the arrangements.

Regulations

10 (1) Regulations may make provision about requests under paragraph 1(3) or (4), including in particular—

- (a) provision about when requests may be made;
- (b) provision about the form of requests;
- (c) provision requiring requests to be served on prescribed persons;
- (d) provision requiring prescribed information or documents to be provided;
- (e) provision about withdrawal of requests.

(2) Regulations may make provision requiring the applicant or the local planning authority to notify the Secretary of State where paragraph 1(5) applies.

(3) Regulations may make provision for the payment by the parties of fees in cases where a person is appointed under paragraph 1, including in particular provision about—

- (a) calculating the amount of the fees;
- (b) the proportion of the fees that each party is to bear;
- (c) when fees are to be payable.

(4) Regulations may make further provision supplementing that made by paragraphs 1 to 9, and may in particular—

- (a) make provision about the qualifications or experience that an appointed person must have;
- (b) require an appointed person—
 - (i) to consider or take into account prescribed matters;
 - (ii) not to consider or take into account prescribed matters;
 - (iii) to make prescribed assumptions;
- (c) provide for a party that is in breach of paragraph 2, or otherwise behaves unreasonably, to be required by an appointed person to pay some or all of the costs incurred by another party in connection with that breach or behaviour;
- (d) make provision for corrections or other revisions to be made to a report under paragraph 3;
- (e) require particular steps to be taken by an appointed person or the parties for the purposes of, or otherwise in connection with, a report under paragraph 3;
- (f) requiring the application to be determined no earlier than a specified period following the time when a report under paragraph 3 is sent to the parties, or no later than a specified period following that time.

Interpretation

11 In this Schedule—

- “the applicant” and “the application” have the meaning given by paragraph 1(1);
- “appointed person” means a person appointed under paragraph 1;
- “parties” means the applicant and the local planning authority;
- “prescribed period” means a period prescribed by, or determined in accordance with, regulations;
- “section 106 instrument” means an instrument by which planning obligations are entered into.”

Section 106 of the Town and Country Planning Act 1990 enables someone with an interest in land to enter into planning obligations enforceable by the local planning authority. The negotiation of such obligations can become protracted. New Schedule 9A introduces new procedures aimed at resolving issues connected with the negotiation of such obligations.—(Brandon Lewis.)

Brought up, read the First and Second time, and added to the Bill.

Clause 155**COMMENCEMENT**

Amendments made: 10, in clause 155, page 77, line 13, leave out “and 113(1)” and insert

“, 113(1) and (Planning applications etc: setting of fees)”

This amendment provides for new clause NC29 to come into force on Royal Assent.

Amendment 75, page 77, line 13, at end insert—

“() sections (Processing of planning applications by alternative providers) to (Regulations under section (Processing of planning applications by alternative providers): information);”—(*Brandon Lewis.*)

This amendment provides for the new clauses NC43 to NC46 to come into force on Royal Assent.

New Clause 32**ENGAGEMENT WITH PUBLIC AUTHORITIES IN RELATION TO PROPOSALS TO DISPOSE OF LAND**

(1) A Minister of the Crown must, in developing proposals for the disposal of the Minister's interest in any land, engage on an ongoing basis with—

- (a) each local authority in whose area the land is situated, and
- (b) each public authority that is specified, or of a description specified, in regulations.

(2) A relevant public authority must, in developing proposals for the disposal of the authority's interest in any land, engage on an ongoing basis with other relevant public authorities.

(3) In subsection (2), “relevant public authority” means a public authority that is specified, or of a description specified, in regulations.

(4) A person who is subject to a duty under subsection (1) or (2) must have regard to any guidance given by the Minister for the Cabinet Office about how the duty is to be complied with.

(5) Subsections (1) and (2) do not apply in relation to proposals in respect of land that is specified, or of a description specified, in regulations.

(6) Regulations under subsection (3) may not be made so as to require a public authority to carry out engagement under subsection (2)—

- (a) in relation to proposals for the disposal of an interest in land in Scotland, unless the authority is—
 - (i) a body to which paragraph 3 of Part 3 of Schedule 5 to the Scotland Act 1998 applies, or
 - (ii) Her Majesty's Revenue and Customs, or
- (b) if the authority has functions that are exercisable only in or as regards Wales and are wholly or mainly functions relating to—
 - (i) a matter in respect of which functions are exercisable by the Welsh Ministers, the First Minister for Wales or the Counsel General to the Welsh Government, or
 - (ii) a matter within the legislative competence of the National Assembly for Wales.

(7) In this section—

“interest” means a freehold or leasehold interest;

“local authority” means—

- (a) a county council,
- (b) a county borough council,
- (c) a district council,
- (d) a London borough council,
- (e) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009,
- (f) the Common Council of the City of London (in its capacity as a local authority),

(g) the Council of the Isles of Scilly, or

(h) the council for a local government area in Scotland;

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975 (see section 8(1) of that Act);

“public authority” means a person with functions of a public nature;

“regulations” means regulations made by the Minister for the Cabinet Office.”—(*Brandon Lewis.*)

This new Clause requires Ministers of the Crown, when developing proposals for the disposal of land, to engage on an ongoing basis with local and other authorities. The new Clause also confers a power to require specified public authorities to engage with other such authorities when developing proposals for the disposal of land.

Brought up, read the First and Second time, and added to the Bill.

New Clause 33**DUTY OF PUBLIC AUTHORITIES TO PREPARE REPORT OF SURPLUS LAND HOLDINGS**

(1) A relevant public authority must, in respect of each reporting period, prepare and publish a report containing details of surplus land in England and Wales.

(2) A relevant public authority must, in respect of each reporting period, prepare and publish a report containing details of surplus land in Scotland.

(3) For the purposes of this section, land is “surplus land” in relation to a relevant public authority if—

- (a) the authority owns an interest in the land,
- (b) the authority has determined that the land is surplus to its requirements, and
- (c) the authority first determined that the land was surplus to its requirements—
 - (i) in the case of land used wholly or mainly for residential purposes, at any time before the beginning of the period of 6 months ending with the last day of the reporting period, and
 - (ii) in the case of other land, at any time before the beginning of the period of two years ending with that day.

(4) In this section, “relevant public authority” means a public authority that is specified, or of a description specified, in regulations.

(5) In determining whether land is surplus to its requirements, and in carrying out its other functions under this section, a relevant public authority must have regard to guidance given by the Secretary of State.

(6) A report prepared by a relevant public authority must explain why the authority has not disposed of surplus land.

(7) Regulations may provide that the definition of “surplus land” in subsection (3) applies in relation to public authorities that are specified, or of a description specified, in the regulations as if subsection (3)(c) were omitted.

(8) Regulations may provide that the duty under subsection (1) or (2) does not apply in respect of specified land or descriptions of land.

(9) Regulations may make further provision about reports under this section, including—

- (a) provision about their form and timing,
- (b) provision specifying information to be included in reports, and
- (c) provision about their publication.

(10) Regulations may not specify a public authority for the purposes of subsection (1) if the authority has functions—

- (a) that are exercisable only in or as regards Wales, and

- (b) that are wholly or mainly functions relating to—
 - (i) a matter in respect of which functions are exercisable by the Welsh Ministers, the First Minister for Wales or the Counsel General to the Welsh Government, or
 - (ii) a matter within the legislative competence of the National Assembly for Wales.

(11) Regulations may not specify a public authority for the purposes of subsection (2) unless it is—

- (a) a body to which paragraph 3 of Part 3 of Schedule 5 to the Scotland Act 1998 applies, or
- (b) Her Majesty's Revenue and Customs.

(12) In this section—

- “interest” means a freehold or leasehold interest;
- “public authority” means a person with functions of a public nature;
- “regulations” means regulations made by the Secretary of State;
- “reporting period” means the period (not exceeding 12 months) specified by or determined in accordance with regulations.”—(*Brandon Lewis.*)

This new Clause requires public authorities to prepare and publish reports containing details of surplus land.

Brought up, read the First and Second time, and added to the Bill.

New Clause 34

POWER TO DIRECT BODIES TO DISPOSE OF LAND

(1) Section 98 of the Local Government, Planning and Land Act 1980 (disposal of land at direction of Secretary of State) is amended as follows.

(2) Before subsection (1) insert—

“(A1) Where a body to which this Part applies is a relevant public authority, the Secretary of State may in specified circumstances direct the body to take steps for the disposal of the body's freehold or leasehold interest in any land or any lesser interest in the land.

(B1) In subsection (A1)—

- (a) “relevant public authority” has the same meaning as in section (*Duty of public authorities to prepare report of surplus land holdings*) of the Housing and Planning Act 2015;
- (b) “specified” means specified by the Secretary of State in regulations made by statutory instrument;
- (c) the reference to steps for the disposal of an interest in land is a reference to steps which it is necessary to take to dispose of the interest and which it is in the body's power to take.”

(3) After subsection (9) insert—

“(10) A statutory instrument containing regulations made by virtue of subsection (A1) is subject to annulment in pursuance of a resolution of either House of Parliament.”—(*Brandon Lewis.*)

This new Clause extends the circumstances in which the Secretary of State may, under section 98 of the Local Government, Planning and Land Act 1980, direct certain public bodies to dispose of land held by them.

Brought up, read the First and Second time, and added to the Bill.

New Clause 35

REPORTS ON IMPROVING EFFICIENCY AND SUSTAINABILITY OF BUILDINGS OWNED BY LOCAL AUTHORITIES

(1) Each authority listed in Schedule (*Authorities specified for purposes of section (Reports on improving efficiency and sustainability of buildings owned by local authorities)*) must prepare, in respect of each year (beginning with 2017), a report containing a buildings efficiency and sustainability assessment.

(2) A “buildings efficiency and sustainability assessment” is an assessment of the progress made by the authority, in the year to which the report relates, towards improving the efficiency and contribution to sustainability of buildings that are part of the authority's estate.

(3) A report must, in particular, include an assessment of the progress made by the authority, in the year to which the report relates, towards—

- (a) reducing the size of the authority's estate, and
- (b) ensuring that buildings that become part of the authority's estate fall within the top quartile of energy performance.

(4) If a building that does not fall within the top quartile of energy performance becomes part of the authority's estate in the year to which the report relates, the report must explain why the building has nevertheless become part of the authority's estate.

(5) A report under this section must be published not later than 1 June in the year following the year to which it relates.

(6) In carrying out its functions under this section, an authority must have regard to guidance given by the Minister for the Cabinet Office.

(7) For the purposes of this section, a building is part of an authority's estate if—

- (a) the building is situated in the authority's area, and
- (b) the authority has a freehold or leasehold interest in the building.

(8) The Minister for the Cabinet Office may by regulations provide for buildings of a specified description to be treated as being, or as not being, part of an authority's estate for the purposes of this section.

(9) In this section, “building” means a building that uses energy for heating or cooling the whole or any part of its interior.”—(*Brandon Lewis.*)

This new Clause requires each authority listed in NS5 to prepare an annual report on, amongst other things, the efficiency and contribution to sustainability of buildings in which the authority has an interest and the progress made in each year towards reducing the size of the authority's overall buildings estate.

Brought up, read the First and Second time, and added to the Bill.

New Clause 36

REPORTS ON IMPROVING EFFICIENCY AND SUSTAINABILITY OF BUILDINGS IN MILITARY ESTATE

(1) Section 86 of the Climate Change Act 2008 (report on the civil estate) is amended as follows.

(2) In subsection (1)—

- (a) the text from “buildings” to the end becomes paragraph (a), and
- (b) after that paragraph insert “, and
- (b) buildings that are part of the military estate.”

(3) In subsection (2)—

- (a) in paragraph (a), after “estate” insert “and the military estate”, and
- (b) in paragraph (b), after “estate” insert “or the military estate”.

(4) In subsection (3)—

- (a) after “estate”, in the first place it occurs, insert “or the military estate”, and
- (b) for “civil estate”, in the second place it occurs, insert “the estate in question”.

(5) After subsection (7) insert—

“(7A) For the purposes of this section, a building is part of the military estate if—

- (a) it is not part of the civil estate,
- (b) the Secretary of State has a freehold or leasehold interest in the building, and

(c) it is used by or for the purposes of Her Majesty's armed forces.

(7B) The Minister for the Cabinet Office may by order provide for buildings of a specified description to be treated as being, or as not being, part of the military estate for the purposes of this section."

(6) In subsection (8), for "Any such order" substitute "An order under subsection (7) or (7B)".

(7) In the heading, after "estate" insert "and the military estate".—(*Brandon Lewis.*)

This new Clause requires the annual report prepared by the Minister for the Cabinet Office under section 86 of the Climate Change Act 2008 to cover buildings used for military purposes (as well as buildings that are part of the civil estate). One effect is to require the report to assess the progress made in each year towards reducing the size of the military estate.

Brought up, read the First and Second time, and added to the Bill.

New Schedule 5

"AUTHORITIES SPECIFIED FOR PURPOSES OF SECTION (REPORTS ON BUILDINGS OWNED BY LOCAL AUTHORITIES AND OTHERS)

1 A county council in England.

2 A district council.

3 A London borough council.

4 The Greater London Authority.

5 An economic prosperity board established under section 88 of the Local Democracy, Economic Development and Construction Act 2009.

6 A combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009.

7 The London Fire and Emergency Planning Authority.

8 Transport for London.

9 A sub-national transport body established under section 102E of the Local Transport Act 2008.

10 A fire and rescue authority in England constituted by—

(a) a scheme under section 2 of the Fire and Rescue Services Act 2004, or

(b) a scheme to which section 4 of that Act applies.

11 An authority established under section 10 of the Local Government Act 1985 (joint authority for waste disposal functions).

12 A joint authority established under Part 4 of the Local Government Act 1985 for an area in England.

13 The Common Council of the City of London (in its capacity as a local authority).

14 A National Park authority for a National Park in England.

15 The Broads Authority.

16 The Council of the Isles of Scilly.—(*Brandon Lewis.*)

This new Schedule lists the authorities subject to the duty to prepare a report under NC35.

Brought up, read the First and Second time, and added to the Bill.

Clause 154

EXTENT

Amendment made: 8, in clause 154, page 77, line 7, at end insert—

'() Sections (Engagement with public authorities in relation to proposals to dispose of land) and (Duty of public authorities to prepare report of surplus land holdings) extend to—

(a) England and Wales, and

(b) Scotland."—(*Brandon Lewis.*)

This amendment provides that NC32 and NC33 form part of the law of England and Wales and Scotland.

Bill to be further considered tomorrow.

Business without Debate

ADJOURNMENT (EASTER)

Motion made, and Question put forthwith (Standing Order No. 25),

That this House, at its rising on Thursday 24 March 2016, do adjourn till Monday 11 April 2016.—(Alun Cairns.)

Question agreed to.

DELEGATED LEGISLATION

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

MODERN SLAVERY

That the draft Modern Slavery Act 2015 (Consequential Amendments) (No.2) Regulations 2015, which were laid before this House on 18 November, be approved.—(Alun Cairns.)

Question agreed to.

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Education (Student Support) (Amendment) Regulations 2015 (S.I., 2015, No. 1951) be referred to a Delegated Legislation Committee.—(Alun Cairns.)

Future Funding for S4C

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

1.59 am

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I thank the many colleagues who have stayed so late for this debate. I hope that it conveys to the Minister the importance of this topic, although the real reason is probably that most of us do not have homes to go to. The Minister strikes me as someone who has a sumptuous home to go to, so it is in our interests not to keep him waiting too long.

There will be people, I have no doubt, who will wonder why an English-speaking, English-sounding Conservative MP for an area of Wales that contains a patch that has been described as “little England beyond Wales” is talking about S4C at all. After all, most people’s daily intake of news and drama these days often happens online and is almost exclusively in English. People will say, “What is so special about the Welsh language these days? Shouldn’t we be equally concerned about Mandarin, French and German?”. Other cynics will say, “Hardly anybody watches this channel anyway, so what’s the big fuss about? What’s wrong with EastEnders with Welsh subtitles?”. My point is that those people miss the point.

Half of my constituency—the South Pembrokeshire part—is principally and historically English speaking, but the people are as passionately Welsh as the people in any other part of the country. The village names give a bit of a clue: Manorbier, St Florence, Lamphey. They do not sound particularly Welsh because they are of Flemish origin, but goodness me, those places are as patriotic and supportive of the Welsh nation when it comes to sport or culture as anywhere else. The other half of the constituency—the Carmarthenshire bit—has a more obvious visible and historical connection to the Welsh language. One can travel through places such as Llanboidy, Trelech and Talog. There is a much more visible air of the Welsh language about those places.

It is because of that contrast that I feel modestly qualified to comment on this matter, even if the only three words of Welsh that I know and use regularly are “gwin coch mawr”. To share the secret with you, Mr Speaker, and the Minister, those words mean “large red wine”. In my 13 years of living and working in Wales, that phrase has got me into and out of most of the situations in which I have found myself. I therefore come at this topic from a modest but enthusiastic position.

Nick Thomas-Symonds (Torfaen) (Lab): I agree entirely with what the hon. Gentleman says about the patriotic argument for S4C. Does he agree that there is a strong economic argument too, particularly given the percentage of S4C funding that goes to independent production companies?

Simon Hart: The hon. Gentleman makes a very good point that I will come to later. Every pound that is invested in the creative arts by S4C produces £2 for the wider economy, so it makes a valuable contribution.

I like to think that I understand a little about the importance of culture in our part of the United Kingdom. I know how easy and tempting it sometimes is to

dismiss it as irrelevant, but I know the cost of disregarding or ignoring the cultural significance of communities and how impossible it is to get that back once it has been lost.

Carolyn Harris (Swansea East) (Lab): Does the hon. Gentleman agree that despite the proposed cuts to the S4C budget being only a fraction of the total Department for Culture, Media and Sport budget, the impact on S4C will be devastating? Is that not an indication that, on this occasion, the Government have got their priorities wrong?

Simon Hart: I am grateful to the hon. Lady for her contribution. I hope she will not mind if I do not answer her directly now because I will come to the points that she raises later in my speech. I hope that I will cover them adequately when I get there.

Nothing epitomises or describes culture more eloquently than the language of the country in question. It binds communities and creates a sense of identity. It means something that is difficult to describe in a few short sentences.

Mr Mark Williams (Ceredigion) (LD): May I be first to say bore da, Mr Speaker? I congratulate the hon. Gentleman—indeed, he is my hon. Friend—on introducing this debate. Will he go further in speaking about culture and talk about the significance for education? We must consider the broader remit of S4C in supporting the language among young people and children and helping to grow the language. My background is not particularly different from his, but I am proud that my children all speak Welsh. They do so partly because of an excellent education system, but also because of S4C.

Simon Hart: I was going to describe the hon. Gentleman as my former hon. Friend, but I think I can do better than that. He is absolutely right. I do not think that anybody would dispute that. One of the expressions that I will use in a few moments is that S4C is more than just a TV channel. I use that expression because it has done so much to educate people about the cultural importance and heritage of the country that we are lucky enough to represent.

Jessica Morden (Newport East) (Lab): Will the hon. Gentleman give way?

Simon Hart: We will never get through at this rate, but of course I will.

Jessica Morden: There has been a huge increase in demand for Welsh medium education, and for families in my constituency and surrounding areas where Welsh is not the family language in the home, S4C’s excellent children’s programming is a vital educational resource. Should the Minister bear that in mind when considering future funding?

Simon Hart: I am sure that the Minister will have heard the hon. Lady’s contribution, and I think I am right in saying that S4C is the second biggest investor in children’s television in the UK—not a lot of people know that, as the saying goes, but now is a good opportunity to bring it to the Minister’s attention.

[Simon Hart]

When speaking about the cultural and educational importance of a language, there must be a means and a vehicle by which we can bring it to a wider audience. That is why we are talking about S4C and why I am here to champion that channel and its work. In some respects it is disappointing that when we mention S4C to colleagues, the most we get is a nod and a reference to “Pobol y Cwm” or something like that. After that people’s knowledge of the channel largely dries up. S4C is the only Welsh language channel in the world and, as I said, it is more than just a TV station.

Glyn Davies (Montgomeryshire) (Con): I thank my hon. Friend for allowing me to associate myself with his excellent speech, and through my past interventions and questions the Minister will know how much I agree with every point being made. Does my hon. Friend agree that the Welsh language, and S4C’s link to it, is what makes Wales distinctive? It should not be just seen as a Welsh cultural icon; it should be seen as a British cultural icon, and that is massively important.

Simon Hart: As ever, my hon. Friend puts his finger right on it.

Between 1901 and 1981 the number of Welsh speakers reduced from 900,000 to 500,000, but the fact that that number has stabilised and is going back up in certain areas is largely thanks to the work of S4C, and others, in stabilising and broadcasting to around 700,000 people. The channel was the birth child of the Thatcher Government—not a lot of people know that either, and I hope I will not offend my nationalist friends by saying, before they claim ownership of the channel, that that Government were proud to be associated with it. It is the fifth oldest TV channel and was first broadcast back in November 1982. It launched the careers of Bryn Terfel, Rhys Ifans and Matthew Rees, and exported the hit show, “Hinterland” to more than 30 countries. It is the second biggest investor in children’s programmes in the UK—a point raised a few minutes ago—and all on a budget of around £85 million and 150 full-time staff. That is a small proportion of the 18,974 people employed by the BBC. Every pound invested by S4C in the creative industries is worth more than £2 to the wider economy—that reinforces a point made earlier.

Jo Stevens (Cardiff Central) (Lab): Around 81% of S4C funding goes directly into the independent production sector, and many jobs in my constituency flow from that. Does the hon. Gentleman share my concern about any cut in funding impacting on the sustainability of those jobs?

Simon Hart: The hon. Lady took the words out of my mouth, because I am delighted that S4C is moving its headquarters from Cardiff to Carmarthen in my constituency. That will be a massive boost for the local economy, and interestingly, 30 satellite companies are expressing an interest in co-locating with S4C in the town itself.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) *rose*—

Simon Hart: I must give way to my hon. Friend.

Jonathan Edwards: As a fellow Carmarthenshire MP, does the hon. Gentleman share my concern that the excellent news about S4C’s relocation to Carmarthenshire will not achieve its full benefit if funding continues to fall as has happened over successive comprehensive spending review periods?

Simon Hart: The hon. Gentleman, and my neighbour, is right to raise that point. S4C has been emphatic that whatever the funding settlement, it will not have an impact on their relocation plans. Inevitably, however, there is bound to be a consequence of some sort, but the move from Cardiff to Carmarthen is not in jeopardy and is going ahead on time and as planned.

Moving on to the budget element, we are all guilty in this House of approving of other people’s budgets being cut and other people’s Departments being slimmed down while putting up a robust case for why our particular areas of interest should somehow be exempt or shown special treatment. This is not the case with S4C. It has made significant inroads already as far as its overheads are concerned, with a reduction of 36% since 2010 compared with 20% at the BBC. Let us not forget that 90% of its money comes from the licence fee, while the rest comes direct from a contribution by the Department for Culture, Media and Sport.

I conclude, as we always do in these kinds of debates, with a list of simple observations and questions for the Minister. First, I can find no argument not to defer cuts pending an independent review of the specific and unique role of the channel. The review should include the impact of the channel on the society, culture and economy of Wales.

Craig Williams (Cardiff North) (Con): I do not share wholeheartedly in the congratulations on the channel moving from my constituency to my hon. Friend’s constituency, but before he embarks on his argument about budgets and cash let me say that the issue is not just about cash. The cultural importance of the channel to Wales cannot be overstated. I just wanted to say that, as the channel moves from Cardiff to Carmarthen.

Simon Hart: That seems to be the view of the House. I hope the Minister takes on board that we have Liberal Democrat, Plaid Cymru, Labour, Conservatives and even Scottish National party Members here—a pretty wide representation—making that very important cultural point.

Chris Davies (Breckon and Radnorshire) (Con): I, too, thank my hon. Friend for securing this very important Adjournment debate. S4C is the only Welsh language TV station in the world. We are very proud of that in Wales and we will struggle if the funding is cut.

Simon Hart: My hon. Friend makes a useful contribution, which helps me to sum up my list of modest and deliverable requests to the Government. I start simply by reminding the Minister that the manifesto commitment is critical:

“We would safeguard the funding and editorial independence of S4C.”

Everything I have discussed hinges on that commitment: a promise is a promise.

Mr David Jones (Clwyd West) (Con): Just to reiterate my hon. Friend's point on funding, does he consider it fair that in the recent comprehensive spending review DCMS bodies across the board saw reductions of some 5%, whereas S4C saw a reduction of some 24%?

Simon Hart: To me, that is slightly mystifying. The DCMS announcement, as contained in the autumn statement, seems to default on the manifesto commitment. We have talked about a reduction from £6.7 million to £5 million. Those figures might not sound enormous in the general scheme of things, but the reduction does send a rather negative message to the BBC, which is yet to determine its own contribution to the channel.

Guto Bebb (Aberconwy) (Con): I am grateful to my hon. Friend for giving way on that specific point. In view of the fact that there was a clear manifesto commitment from the Welsh Conservative party, the message we are sending to the other main funder of the channel is very negative. The negotiations between S4C and the BBC are crucial to the future of the channel. If the cut by DCMS, which is well above the cuts by the Department to other arts institutions in England, is permitted, the message to the BBC is extremely negative and very regrettable in view of the promises made to the people of Wales.

Simon Hart: My hon. Friend makes a very good point. One reason for securing the debate is that I want the BBC to be in no doubt at all about our strength of feeling and commitment to the channel. We are all joining forces to try to ensure that we preserve it and its funding for all the right reasons.

Alison Thewliss (Glasgow Central) (SNP): I am here to express solidarity and support for S4C and the excellent work it is clearly doing in Wales to promote Welsh culture and the Welsh language. BBC Alba lost 100% of its funding from DCMS, so we have absolute solidarity with what Members are doing.

Simon Hart: The hon. Lady makes a good point. We have not gone into media plurality—we probably do not have time—but the fact that the SNP is here showing its support for the debate sends an important message.

My right hon. Friend the Member for Clwyd West (Mr Jones) mentioned that the departmental cut was a mere 5%, compared with which the cut to S4C seems disproportionate. Bizarrely, the provision for Persian, Russian, Arabic and Korean is now enhanced, yet the money spent on our native language in Wales seems to be under threat. I hope the Minister will explain the logic behind that conclusion. A manifesto promise is exactly that—a promise—and we would need to come up with a pretty good reason why it was no longer a promise. To retain the Government's credibility in Wales, we have to do more than just say nice things about culture and language; we have to do good things, mean what we say, deliver on our promises and make sure that people know we will deliver on our manifesto commitments, not default on them a few weeks later.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Does the hon. Gentleman agree that now is the time for an independent review of broadcasting in Welsh and of S4C, including the departmental cuts and the cuts to

the BBC and the challenges of the new digital platforms? With so many issues now on the cards, we need an independent review to take them in hand.

Simon Hart: The hon. Lady makes a good point, although I think that Ministers, at a fairly senior level, have not been particularly averse to the proposal. In other words, I think she is pushing at a semi-open door. Certainly, Conservative colleagues would welcome such a review, so long as it was independent and as wide-ranging as possible.

Not that many weeks ago, the Chancellor managed to magic up about 4 billion quid in remarkable circumstances in the weeks and days before the autumn statement. We are talking about a tiny fraction of that. All we seek from the Minister is the funding protection promised in our manifesto and a commitment to keeping the promise we made. I do not think that is too much to ask of the Government on a subject that is clearly of such importance, not only to Members representing Welsh constituencies but to Welsh education, Welsh culture, Welsh heritage and the Welsh economy.

2.17 am

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am grateful for the opportunity to respond to this important debate. Nobody could overestimate its importance, considering that at least 20 hon. Members are in the Chamber at this early hour of the morning—and quite right too, because we are debating an important issue: the future of S4C. As my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) reminded the House, S4C was a creation of a Conservative Government and has continued to thrive over the past 30-odd years. It is abundantly clear that the House cares deeply about S4C, that hon. Members tonight consider it an integral part of the national fabric of Wales, that its independence is one of its biggest strengths and that the House wishes to safeguard its future. I firmly share that conviction, having looked after it for the last five years, and so do the Government.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Will the Minister give way?

Mr Vaizey: Of course. I am surprised it has taken the hon. Gentleman so long to intervene.

Gerald Jones: S4C had already had a 36% cut since 2010, even before the most recent cuts were announced. Will the Minister assure us that it will not face further cuts as part of the charter review process, and will he confirm that if the Government fail to keep their promise, they will be clearly breaking a Conservative party manifesto pledge?

Mr Vaizey: It is worth considering the funding issue facing S4C. When we made the change after entering government, the overall funding for S4C did not fall significantly, but a lot of the funding was transferred to the BBC. I remember having extensive discussions then with Welsh Members, obviously with the S4C management and with Members of the other House who had held senior positions in previous Governments.

[Mr Vaizey]

Unless my maths is askew—it might well be; I claim no great credit for it—the overall funding was at around £100 million for S4C then, and it is in the region of £80 million now. It is worth reminding the House of how that funding works. S4C gets roughly £6.8 million directly from DCMS, but gets something like £74 million from the BBC. It is important to stress that that funding is still independent: the BBC has no say in how the money is spent by S4C. It is also worth remembering that the BBC has an obligation to provide S4C with some 10 hours of free programming every week, which in equivalent cash terms amounts to something like £20 million. We are talking about an organisation that receives about £100 million in total in annual funding.

The cuts that we are talking about, although headlined as being 25%, amount to just £1.5 million within that overall budget. It is an overall cut of less than 2%. Although I understand the strong feelings about S4C—I share them, as I have worked to preserve its future for the last five years, continuing the good work carried out by previous Conservative Governments—to characterise this as somehow a devastating cut is quite wrong. Having said that, it is certainly the case that we will continue to listen to all hon. Members on this important issue.

Albert Owen (Ynys Môn) (Lab): I do not know whether the Minister is a statistician, but I do know he is a cultured man. Does he understand the cultural importance of S4C to the Welsh nation? If he does, will he consider having an independent review so that we can have out in the open all the arguments called for on both sides of the House, so that rather than having a mishmash of figures we could have an independent review with a recommendation?

Mr Vaizey: I always enjoy the contributions of the hon. Gentleman, who is a great advocate for his constituency, particularly on the issue of broadband, about which we have had many discussions. It does not surprise me that he makes pertinent points about S4C. On those points, we will continue to listen to hon. Members about the funding, as I said. It is incredibly important to hear the arguments put both by my hon. Friends and Opposition Members. Secondly, we are sympathetic to the point about having an independent review of S4C and Welsh language broadcasting. That is certainly something that we will look at with the utmost seriousness. Thirdly, we have heard about the contribution of S4C to Welsh culture and Wales in general—again, a view that we strongly share.

In calling this important debate, my hon. Friend the Member for Carmarthen West and South Pembrokeshire argued effectively about S4C's contributions to Wales. Let us start with the Welsh economy, for example, and its support for independent production. We should also note the international recognition that S4C has brought to Welsh broadcasting. I hope hon. Members will not regard me as facetious if I praise the fact that a Welsh hill farmer is now presenting a French television programme. Members might be interested to know that Gareth Wyn Jones, a farmer from Conwy, stars in "The Hill Farm", which incidentally won a BAFTA award, as a result of which he was asked to front a travel show on Wales for a major French television channel.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) *rose*—

Mr Vaizey: I will go on to praise other Welsh programmes after I have taken this important intervention.

Jonathan Edwards: The hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) hit this issue on the head in his comments to the press today when he said that this was a clear election promise broken. The Conservative party promised to protect the funding of S4C. With broken promises on rail electrification in Swansea to be taken into account and with an election coming up in May for the National Assembly, why should anyone take seriously anything that the Conservative party says?

Mr Vaizey: It is important to remind Members of an earlier intervention by my right hon. Friend the Member for Clwyd West (Mr Jones) about comparing the reduction in funding for S4C from the DCMS grant with the reduction in funding in other parts of the DCMS portfolio. It is worth remembering that the funding for S4C was safeguarded two years ago. We worked very hard to safeguard and protect that funding at a time when we were having to make quite deep cuts to other national organisations. It has always been our intention—we said it in the manifesto—to safeguard S4C's funding. I would argue that that is what we have done. Nevertheless, as I have said time and again, we will listen to hon. Members on both sides of the House when they make their representations in this important debate and in other forums. We will listen to them on the issue of funding and the impact that may have. We will listen to them as well on the point about whether there should be an independent review. However, I want to continue to emphasise how much I am enjoying the contributions by Members in all these debates, which is why I want to take another intervention.

Byron Davies (Gower) (Con): Does the Minister agree, then, that the independent review should be carried out separately from any other review process?

Mr Vaizey: As I have said, despite my hon. Friend's being, I think, the first Conservative representative for Gower ever, on which I congratulate him, I am not going to be tempted to make Government policy this early in the morning. We have always said that we will look at S4C as part of the charter review, but I have also made it clear that we are very sympathetic to calls for a more wide-ranging independent review as well because we want to continue to safeguard S4C and to see its success. We want to see, for example, programmes such as "Fferm Ffactor", which is licensed and produced in Denmark, Sweden and the China hinterland.

My hon. Friend who secured this important debate does not need to remind me that S4C is the second biggest investor in the UK in children's programming, because my two children grew up with Fireman Sam and I am well aware of S4C's great expertise in this area. It sells successful formats overseas and we have all enjoyed "Hinterland". Some of us enjoyed the English-language version; others have enjoyed the Welsh-language version. It cannot be a coincidence that, thanks to S4C's success, we now see in Wales 50 television and animation companies generating around £1 billion for the Welsh

economy. S4C alone contributed £117 million to the Welsh economy. In Wales, 50,000 people are employed in the creative industries, a 10% increase since 2011, and 80,000 in the wider creative economy.

Susan Elan Jones (Clwyd South) (Lab): Will the Minister give way?

Mr Vaizey: I always give way to the hon. Lady.

Susan Elan Jones: We really have not come here for a bedtime story with examples of what S4C does. Will the Minister please tell us why he is not listening to his colleagues and other Members? Why will he not sort out the real issue, which is the funding?

Mr Vaizey: I have missed the hon. lady's contributions and it is good to hear her again. I prefer to think that this is not a bedtime story but an early morning wake-up call to all of us who care about S4C and want to preserve its future. It serves a base of Welsh-language speakers, which, according to the last census, is forecast to grow, as my hon. Friend the Member for Carmarthen West and South Pembrokeshire said, by more than half a million people. It is also important to note that, although S4C's viewing figures have gone down in

Wales, its overall viewing figures have increased if we take into account the whole of the UK.

Liz Saville Roberts *rose—*

Mr Vaizey: I will always give way to the hon. Lady.

Liz Saville Roberts: Does the Minister agree that the means by which we measure the viewing figures for S4C are not appropriate? It involves 300 television sets across Wales, 173 in Welsh-speaking homes. Children under four are not included in the figures, nor are people who watch on digital platforms. It really is not fit and that is writ large in the case of the small viewing figures for S4C.

Mr Vaizey: I was pointing out that the viewing figures as a whole had gone up, but that is exactly the point that may have to be considered in any forthcoming review, whether it is an independent review or part of the charter review. We will continue to engage on that important issue. I hope that I have impressed upon you, Mr Speaker, the importance of S4C.

2.29 am

House adjourned without Question put (Standing Order No. 9(7)).

Westminster Hall

Tuesday 5 January 2016

[ANDREW PERCY *in the Chair*]

EU Membership (UK Renegotiation)

9.30 am

Mr Philip Hollobone (Kettering) (Con): I beg to move,

That this House has considered renegotiation of UK membership of the EU.

May I say at the outset, Mr Percy, how delighted I am to see you in the Chair and what a pleasure it is to serve under your chairmanship? I can think of no one more suited to the role. What an excellent way to start the parliamentary year.

I thank Mr Speaker for granting me permission to have this debate and I thank the Prime Minister for his commitment to delivering an in/out referendum as part of the Conservative party manifesto. Let us not forget that if the Conservatives had not won last year's general election, the Labour party, the Scottish National party and the Liberal Democrats would have denied us the referendum that the British people want to hold. There is a lot of speaking talent in the Chamber this morning, so I shall keep my remarks shorter than I would otherwise, because most hon. Members here know far more about this subject and are far more eloquent than I.

To keep things simple, the referendum question that we will face, either this year or next, is whether to remain in or leave the European Union. Repeated polls show basically the same pattern. About a third of people want to remain and about a third of us want to leave, whatever happens. In between, about a quarter to a third are uncomfortable with Britain's present relationship with the European Union or are worried about the future, but they are also concerned that if we leave the EU, there might be bad consequences for their jobs or living standards. The lazy assumption of the establishment, the BBC and the CBI is that the UK will vote to remain.

I am privileged to represent the constituency of Kettering, which has the privilege of being the most average town in the whole country. I like to describe Kettering as middle England at its best. The people in Kettering will want clear explanations from both sides as to which way they will vote. It is true, I am sure we all agree, that people are wary of change, but a key point to get across is that whether we stay in the European Union or leave it, change will happen. My contention is that if we stay in, those changes will be bad for the United Kingdom, but if we leave, those changes can be made good. My central assumption this morning is that remaining in the European Union is the riskier option. Leaving and taking back control for ourselves is by far the safer choice, which is what we need to explain to the good people of Kettering and the great British public over the year—or years—ahead.

The first of the five main points I want to make is, I am afraid, that the Prime Minister's renegotiation strategy has been unfortunately weak. It has been undermined from the start by the fact that he is in favour of staying

in the European Union, whatever the outcome of those renegotiations. The reforms that we are likely to get, if any, will be too little and too late. For a start, it looks pretty certain that they will not involve any kind of change to the European treaties at all, so any proposed reforms will have the legal effect of simply being an unsigned contract. The Prime Minister promised us that we would have full-on treaty change, but that has effectively now been abandoned.

Mark Field (Cities of London and Westminster) (Con): My hon. Friend is more attuned to European matters than virtually anyone else in this House, so he will be well aware that any treaty change will require a series of domestic referendums. It will clearly not be possible to get that worked out by the end of December 2017, when we are committed to having a referendum. It has always been clear from the timetable that we have in place that having fully fledged treaty change in advance of our referendum was an impossibility. Does he accept that?

Mr Hollobone: If my right hon. Friend is correct, it strengthens the case for voting to leave. Why would we want to stay in the European Union knowing that treaty change is yet to happen, trusting in the judgment of European politicians to deliver what they say they will deliver? The safer choice is to vote to leave, and then we would have the upper hand in negotiating our successful exit from the European Union.

If there are changes to the treaty, it is likely to be another five to 10 years before they happen, and if they proceed along the lines of the infamous Five Presidents report, they bode ill for this nation. It would appear that we are not going to get an end to the supremacy of EU law over UK law. We will not get the United Kingdom out of the charter of fundamental rights, which gives EU judges huge powers over us. We will not get a restoration of the UK's right to make free trade deals under the World Trade Organisation. We are not going to get any reforms to the common agricultural policy or the common fisheries policy—I hope the SNP spokesmen are aware of that. We might get some changes to the benefit entitlement rules, but most EU migration to this country is driven not by a search for benefits, but by the fact that the UK has the most successful economy in Europe and people are coming here to seek work.

Mark Field: My hon. Friend is absolutely right: one reason why we have so dismally failed to meet our migration targets has been the relative success of our economy. However, does he not also accept that it would be wrong simply to blame our membership of the EU for the fact that migration is at the highest levels ever? We have a huge amount of non-EU migration that comes in and, in many ways, we are all party to that; we all have constituents, particularly from the former Commonwealth countries, whom we represent when they want relatives to come to this country. It is that level which is unacceptably high and which has helped to ensure that our pledge to reduce the amount to tens of thousands has been fatally missed right the way through the last Parliament, and will be, I think, for many years to come.

Mr Hollobone: Yes, I think the two main factors behind the massive wave of immigration are, first, our membership of the European Union and the principle of free movement within it, and secondly, the Human

[Mr Hollobone]

Rights Act 1998, both of which mean that we are effectively unable to control our borders. If we want to control our borders, however, leaving the EU is an absolute prerequisite. We now have the farcical situation in which an unskilled Romanian immigrant can come to this country without our being able to do anything about it at all, and they get a job perhaps as a cleaner, but a skilled migrant from India who has a degree in astrophysics will find it very difficult to come to this country. We are going to get a sensible immigration policy back only if we leave the EU and get rid of the Human Rights Act.

Tim Loughton (East Worthing and Shoreham) (Con): My hon. Friend is making a very good point, but there is another point to add. Take the example of Poland—there are something like 15 million Poles living outside Poland. It has one of the best education systems in Europe and yet it is exporting people to work in jobs well below their skill level in the UK and other countries like it. Is not the point that getting control of immigration is good for countries such as Poland, so that they can make sure that more of their people want to stay at home and contribute to their economies? This is about what is good not just for Britain, but for eastern Europe and other countries from which many people are coming to the UK.

Mr Hollobone: As always, my hon. Friend makes an extremely good point. I think we want to allow into this country Polish people who have the skills that our economy needs, and we do not need in this country Polish people who do not have the skills that we need. At the moment, because of our EU membership, we are unable to control that and that will have implications, as he rightly said, for the Polish economy as well as for ours.

Owen Thompson (Midlothian) (SNP): I am hearing a lot about immigration, but we are not talking in any sense about emigration and the almost equal number of people who have left the country to live and work across Europe, as opposed to those who have come in. I would argue that the situation is similar regarding the skill base of those going out, and that UK citizens are benefiting from the advantages of being part of Europe and being able to travel and work in such a way.

Mr Hollobone: If we left the European Union, having negotiated our exit, we could have arrangements under which we would allow into this country people from the EU whose skills we need and the EU would allow into the EU British people whose skills it needs. At the moment, without those controls, we have massive net immigration into this country. It may not be an issue in Scotland, but it is a big issue in middle England.

Daniel Kawczynski (Shrewsbury) (Con): My hon. Friend is making an extremely good speech. The media are focusing on benefits to EU workers and they are not sharing with our electorate some of the more important constitutional changes that the Prime Minister is trying to get agreement on. How does he assess the importance of the benefits issue for migrants among his constituents in comparison with constitutional changes they would like?

Mr Hollobone: My constituents are concerned about any migrant coming to this country and getting benefits to which they have not contributed, and that includes EU and non-EU citizens. The rules should be tightened and changed. For example, if a Polish person comes to live in this country and receives child benefit for his children back in Poland, that is clearly wrong and must change. The vast majority of EU migrants do not come to Britain for benefits. Some do, but the vast majority come here for work. It is important to change the rules, but in the scheme of things changes to the benefits system are not a massive issue.

Constitutional change is a big issue and would alter fundamentally our relationship with the European Union, but I am afraid that the Prime Minister will not deliver any fundamental constitutional reform. For both those reasons, it is likely that his constituents and mine will increasingly come to the conclusion that our future is better outside the European Union.

It has been suggested that the Prime Minister may be successful in getting the EU to drop a reference to “ever closer union” in the treaties. That would be great, but the principle of integration is embedded within all EU institutions and is a core principle of the European Court in all its judgments. Just tweaking the language will not change the institution’s philosophy or the Court’s practice. The European Commission has made it clear with the release of the infamous Five Presidents report and its proposals for a new EU army that if we stay in the European Union the prospects are for even more integration.

I am a committed outer, but many people in this country have yet to make up their mind. Among them is the British Chambers of Commerce, which wrote to the Prime Minister on 23 June 2015 setting out a very reasonable set of parameters for the negotiations. It stated:

“First...Britain must have absolute guarantees to protect our economic and other interests within the EU. Second, it is necessary to sort out the ‘common market’ so that it works for British business. The UK is by and large a service sector economy and yet there is no meaningful internal market in services within the EU...Third, we need a cast iron opt-out to make sure we do not sleepwalk into an ‘ever closer union’. Fourth, we need to protect our businesses from the regulatory burdens imposed by the EU...we need a clear and balanced approach to immigration taking into account the need for stability and social cohesion and driven by the skills requirements of our economy, meaning businesses can access the talent they need.”

I contend that none of those five parameters will be met by the Prime Minister in his negotiations.

The second big point I want to make is that the UK is a big hitter in its own right. I am confident about the UK’s ability and future in the world. We are the fifth largest economy in the world. We are a member of the G7 and the G20, a permanent member of the UN Security Council and a member of NATO. If we left the EU, we would get back our seat at the World Trade Organisation. We are a member of the OECD, the International Monetary Fund, the World Bank, the Organisation for Security and Co-operation in Europe, the Council of Europe, Interpol and the Commonwealth. The idea that if we left the EU we would wither and die and have no international significance is absolute nonsense.

If there were a successful leave vote, the UK could negotiate a UK-EU deal based on free trade and friendly co-operation. That need not be acrimonious at all. The UK is the EU’s biggest trading partner.

Philip Davies (Shipley) (Con): I am sure my hon. Friend is aware that the Library has done some research that shows that if the UK left the EU, the UK would be the EU's single biggest export market, bigger than any other country in the world. Is it not clear that if we left, and given that we have a £62 billion trade deficit with the EU, we would still be able to trade freely with other countries in the EU?

Mr Hollobone: My hon. Friend demonstrates again that he is a very well read Member of this House and, as usual, ahead of the curve. He is right, because negotiating a free trade agreement with the EU should be fairly straightforward, given our status as the EU's largest trading partner and the fact that we already meet all the EU's requirements. One fifth of all the cars produced in Germany are exported to the United Kingdom. Is anyone seriously suggesting that if we left the European Union Germany would want to cease trading with us? With a successful leave vote we could negotiate a successful UK-EU deal.

Many countries around the world already have free trade deals with the EU but do not have to accept the supremacy of EU law like we do and do not have to pay the EU a massive £10 billion and rising each year as a membership fee. If Chile, Peru and Colombia can negotiate successful free trade arrangements with the EU, surely the UK, as the world's fifth largest economy, would also be able to do so. Our membership of the European Union means that we are constitutionally unable to negotiate free trade deals of our own with other countries.

The EU has been in existence since 1957 and has yet to conclude a free trade arrangement with America or China because 28 countries are involved and getting them all to agree on every detail is proving impossible. I suggest that if we left the EU negotiating free trade agreements with the United States and China would be a top priority.

Daniel Kawczynski: My hon. Friend talks about an issue that is very close to my heart—British export strategy—and he referred to the United States of America. Does he believe that if we were outside the European Union we could use our special relationship with the Commonwealth—Canada has an agreement with the EU—to get preferential trading agreements with those countries that are more preferential than those that the European Union has?

Mr Hollobone: My hon. Friend is right. I think that many countries around the world that have been unable to negotiate a free trade arrangement with the EU would be all too keen to negotiate one with the world's fifth largest economy. We would have an appetite for doing exactly that were we to leave.

Mark Field: It strikes me that the one group that would be pleased if we left on that basis would be the new breed of civil servants that would be required in vast numbers to negotiate all those free trade deals across the globe. My hon. Friend alluded to the fact that one of the bigger concerns is not the economic issues in the European Union but political ones. Would he not at least recognise the risk—if we left the EU, given how calamitous that would be for the European Union as well as, in my view, not being good news for

the United Kingdom—of retaliation, particularly in areas such as the City of London, an area that we both know well because we both worked there before coming here? For example, euro-denominated business would be largely out of Frankfurt and Paris instead of London. Retaliation would be a significant risk and the smooth path he has presented would not come into place.

Mr Hollobone: I am afraid that my right hon. Friend has been, as part of his constituency duties, spending too much time at too many big lunches in the City of London with the wrong crowd. I will give an example of what I am talking about. ICAP is the world's largest dealer broker for financial institutions. The chairman of ICAP, Michael Spencer, has said that the UK can “thrive” outside the European Union. We were told by my right hon. Friend's friends in the City of London that if we did not join the euro, all that euro-denominated business would go to Frankfurt, Paris and elsewhere. Actually, the City of London is today doing more euro-denominated deals than ever before in its history, so I do not take much notice of those scare stories, but I do suggest to my right hon. Friend that if his contacts want to continue to put out that sort of propaganda for our staying in the European Union, it demonstrates the weakness of their case. I do not want my constituents in Kettering, in middle England, to be unnecessarily scared by baseless scare stories from financial institutions that should know better.

Mr Steve Baker (Wycombe) (Con): I am always shocked and surprised by the argument about retaliation, because we are asked to believe that the European Union project is about suppressing nationalism—the kind of economic and other political nationalisms that lead to war—yet we are also asked to believe that if we chose not to surrender our parliamentary democracy to that set of institutions, we would suffer exactly the kind of nationalisms and retaliation that the EU itself was set up to avoid. Can they make their minds up which way it is to be?

Mr Hollobone: My hon. Friend has hit the nail on the head.

Mark Field: I will not respond to that, but in the good-natured way in which we are having this discussion, I should perhaps point out that I have had many lunches in the City of London in the 14 or 15 years for which I have been the local MP, but my lunching activities go back a lot further, as my hon. Friend the Member for Kettering (Mr Hollobone) will know, because 30 years ago we began our political lives together as junior common room presidents in respective colleges and then as officers of the Oxford University Conservative Association. I have had lunch with him relentlessly over the last 30 years in the City and I do regard my hon. Friend as very much the right crowd, who I should be hanging around with, among many others whom I lunch with.

Mr Hollobone: I thank my right hon. Friend for that intervention.

The fact is that the EU is going in the wrong direction. As we know, it is planning a new treaty to save the eurozone from itself and to give the EU more control. In many respects, that is the right response for the eurozone countries to make, but it would be bad for the

[Mr Hollobone]

United Kingdom. In truth, the EU cannot cope. In some parts of the EU, unemployment is already 25% and youth unemployment more than 50%—the worst situation since the 1930s. Debts are large and growing. Unfunded pension systems require large tax increases, immigration increases or both. Voting to remain would mean signing up to the new EU treaty currently being negotiated, which has been spelt out in the Five Presidents report. That will give the EU even more power over our economy and take our seat on key bodies such as the IMF. No new treaty has ever given powers back or saved us money.

My constituents in Kettering and people across the country will be increasingly alarmed to read the contents of the Five Presidents report, set out in July last year. Who are these pompous five Presidents? The first is Jean-Claude Juncker, the European Commission President. The second is Donald Tusk, the President of the Euro Summit. The third is Jeroen Dijsselbloem, President of the Eurogroup, whatever that is. The others are Mario Draghi, president of the European Central Bank, and Martin Schulz, President of the European Parliament. They do like to call themselves Presidents whenever they get the chance. Among their plans are a euro area Treasury and increasing control over Europe's fiscal systems.

Graham Stringer (Blackley and Broughton) (Lab): I was not going to interrupt the hon. Gentleman, but if he consults the House of Commons Library, he will find out that there are seven European Presidents, but only five of them signed the document to which he is referring. That just shows what an absurdity this organisation is.

Mr Hollobone: The hon. Gentleman demonstrates that he is as well read as my hon. Friend the Member for Shipley (Philip Davies), and I am grateful for that—the situation is even worse than I had feared.

Daniel Kawczynski: My hon. Friend referred to Martin Schulz. Let me tell him that there is growing disquiet in certain smaller central and eastern European states about some of the language that Mr Schulz is starting to use in cajoling them on certain issues, particularly with regard to the crisis of immigrants from Syria. Will my hon. Friend join me in urging caution on this man in his interactions with sovereign nations along those lines?

Mr Hollobone: My hon. Friend needs to realise that these people are impervious to criticism, and the smaller nations in the EU need to wake up quick, because what few powers they retain are about to be taken away should these seven Presidents get their way. They aim to complete that, at the latest, by 2025. Apparently, we are already in the first phase—“Deepening by Doing”—and in spring 2017 there will be a white paper outlining the extent of their plans. To hold a referendum in this country on our membership before the spring of 2017 would be a big mistake, because it would be misleading the British people by not telling them now what is just around the corner. If we stay in the European Union, the future as outlined by these Presidents is that it will be very much in charge of Whitehall.

Our membership of the European Union is bad for us. It costs us each week a net £230 million. That is something like a quarter to a half of England's schools budget. That money would be far better spent either on reducing the national debt or on our NHS. Also, our influence in the EU is far less than it used to be. It is true that the Prime Minister has upped the UK's game in opposing measures in the EU Council. For example, from 1996 to 2010, the UK voted against 32 measures in the EU Council; since 2010, the Prime Minister has tried to stop 40. However, we have lost all—each and every one—of those votes and we have only an 8% voting share.

Only 5% of UK businesses export to the EU, but 100% of UK businesses are subject to European rules. Four fifths of Britain's economy has nothing to do with exports, but is in effect regulated by the European Union. We were told that being outside the eurozone meant that we would not be liable for propping up failing eurozone countries. That has proved not to be the case, with bail-out funds going from this country to Greece. Of course, if the global economy were a motorway, the European Union would be on the hard shoulder. The EU's share of world trade was 40% in 1972, when we joined; it is set to be 20% by 2020. The accounts have not been signed off by European auditors since 1994. Of course, immigration is out of control, and that is set to get even worse. We can be sure that if Turkey, with a population of 85 million, were allowed into the European Union, the wave of immigration that we have seen from eastern Europe would be dwarfed by the wave of immigration from Turkey, and I predict that it would cause big social unrest in this country, but if we vote to stay in the European Union, there will in effect be nothing we can do to stop that.

Increasingly—we have already had a taste of this during the debate today—many bogus arguments will be made as to why it would be dangerous for Britain to leave the European Union. We have been told that we would lose 3 million jobs if we left the European Union. I would like my right hon. Friend the Minister to confirm today that that age-old claim is completely false and that 3 million UK jobs are not dependent on our membership of the European Union. It demonstrates the weakness of the case of those who want us to stay in that those scare stories are being put around. Of course, so many people told us that we would be disadvantaged if we did not join the exchange rate mechanism and the euro. In fact, Britain has been far better served by coming out of the ERM and by not joining the euro. We currently have the biggest amount of foreign direct investment of any country in the European Union.

I will conclude shortly, because I want other hon. Members to contribute to the debate, but it comes down to this: I am confident about Britain's future. We are the fifth largest economy in the world. We are a member of many prominent international organisations. Our influence in the world would increase if we were to take back our seat at the World Trade Organisation. It is time for the UK to come off the global hard shoulder and go back to doing what we always did best—being a trading nation around the world. If we remain in the European Union, we will have access to its single market, as we do now, but we will have to pay at least £10 billion a year net as our membership fee; EU judges will have supremacy over UK law; and we will have to submit to the free

movement of people, with no control over immigration. If we vote to leave, we will still be able to negotiate access to the single market through a free-trade arrangement with the EU, but we will not have to pay the membership fee; we will get back control over own laws; and, at long last, we will be able to control immigration, which is what constituents in Kettering and, I suggest, across the country want to see.

Several hon. Members *rose*—

Andrew Percy (in the Chair): Order. I do not propose to impose a time limit, but Members can see how many people are standing. I ask them to bear in mind the fact that, to get everybody in, speeches will have to be about four minutes in length.

10.1 am

Graham Stringer (Blackley and Broughton) (Lab): This country would be more prosperous, have more influence in world affairs and be able to take control of its own affairs as a sovereign Parliament once again if we left the European Union. I congratulate the hon. Member for Kettering (Mr Hollobone) on securing this debate so that we can explore the arguments that demonstrate the truth of those three desirable objectives.

First, we would be more prosperous if we left the European Union. At the moment, we are tied to the European Union, of which all but two countries are in, or have signed up to join, the euro. Quite frankly, the European Union is an economic basket case partly because of the euro. Many of the people who argue that we should stay in the European Union wanted us to join that terrible currency.

Secondly, we would have more influence in the world if we left the European Union. At the moment, the EU represents us at a number of world bodies, the most obvious being the World Trade Organisation, and negotiation between the 28 countries of the European Union dilutes any influence that we have. If we represented ourselves, we would have more influence.

Finally and self-evidently, I believe in parliamentary democracy and the fundamental principle that the people who make the laws should be subject to the electorate. In the words of the old phrase from American presidential elections in the 19th century, the people should be able to “throw the rascals out”. If we cannot do that, we do not have a democracy, and we cannot do that to the people who influence, propose and produce the laws in the EU.

Given the hon. Members who are present, one might think that only Conservative Members oppose our continuing membership of the European Union, but that is simply not true. Although a majority of Labour MPs are in favour of staying in the European Union, many Labour party members, perhaps a majority of Labour supporters, and ex-Labour supporters—people who have stopped supporting the party because of its position on the European Union—understand that we would be better off out of the European Union. There is clearly a left-of-centre view, in favour of democracy and control of our own rules, that we should leave the European Union. I have never understood, when there is a consensus across the Labour movement and the Labour party against extreme deflationary policies, why

we would support the European Union when its policies of competitive deflation across eurozone countries are destroying its economy.

I start, in any debate on the EU, by looking at what is in the interests of my constituents. Their employment situation is threatened by more or less uncontrolled immigration. Unskilled workers are competing with people who have no history in this country, and they often fail to get employment. That is particularly true in areas where the legal jobs market overlaps with the illegal or black market, where many people hope to survive. Such people are increasingly at a disadvantage. As the hon. Member for Kettering has said, many skilled workers from Poland come over here and compete below their skill level, and that is not in the interests of my constituents. It is all right for Mr Rose to say that he can lead the in campaign, because he is financially okay and will be all right at the end of it, but that does not apply to my constituents, who are among the poorest people in the country.

I represent many constituents from parts of the Commonwealth, such as the Indian subcontinent and parts of Africa, which have a long history of helping and supporting this country, not least in the armed services. Why should it be more difficult for those people’s relatives to visit them, or to join them and find employment in this country when they have particular skills? As the hon. Member for Kettering has said, they find that very difficult, whereas people from Romania—I do not want to pick on Romania—or Croatia or Lithuania, which have very shallow links with this country, can simply walk in and out of the country. It is not often said, but it should be, that the EU’s immigration policies are explicitly racist, because it is usually Africans and people from the Indian subcontinent who are excluded from having a fair go at our employment market.

All the political parties recognise, and say explicitly, that the current operation of the EU is unsatisfactory, and therefore there needs to be renegotiation. The Labour party has a clear policy, which is at least consistent and honourable: whatever happens in the renegotiation, we will campaign to stay in. I will not; I will be on the other side of that debate, but the Labour party will do so. The Government’s position is much less honest. They say that there will be a fundamental renegotiation and treaty change to improve our situation. There is, however, no real negotiation taking place that will help my constituents and improve their economic situation.

I will run briefly—I am aware of the time—through four points. The first is the suggestion that we could have more parliamentary influence, because we could negotiate with other Parliaments and three, four or five Parliaments could give a red card to, or veto, decisions by the European Union. What an insult to parliamentary democracy it is to say that this Parliament has to negotiate with another Parliament before we can stop laws that might be against the interests of this country.

The second point is that there will be more competition, or that the competitive agenda will be increased. I was a Minister in 1999 when the then Prime Minister, Tony Blair, came back from Lisbon with a new competition agenda, which had zero influence. It was almost exactly the same as what is promised in these so-called negotiations.

The third point, which is at the core of where the future of the EU lies, is that this country needs protecting from being suppressed or oppressed by the majority of

[Graham Stringer]

countries that will be in the EU and that may take decisions that are not in this country's interest. Whether there is treaty recognition of our separate interest or not, there is bound to be a different set of interests from countries that are in a monetary union and that will eventually move, inevitably, into a fiscal union and greater political union. There are bound to be huge risks for this country in that we will always be in a minority position in the EU. I do not believe there can be any protection against that.

The right hon. Member for Cities of London and Westminster (Mark Field) made a point about the risks if we leave the EU. Of course there are risks if we leave the EU; there is always risk in change. The question is where the balance of risk is. There is a much greater risk to the future of not only democracy, but the country's economy and influence in world affairs by staying in the EU, where we will be in a perpetual minority, with a different interest from the rest of the countries.

The fourth point is where most of the publicity has been aimed—at in-work benefits. I do not believe that those benefits drive immigration into this country. What drives immigration into this country is that it is a fair, decent country where there is a real chance of getting employment, unlike many of the other countries, particularly those that have come out of the communist bloc. To say that somebody who comes here for genuine reasons—to work—will actually be in an inferior position to somebody who they are working next to in a factory, public service, or whatever position it might be, is not a desirable objective. It is a deeply nasty and unpleasant objective, and it will not do what it says.

I am getting looks from the Chair so I will finish on this point. There is a real opportunity for the country's future to be better by leaving the EU and having more influence. I hope this will be one of many debates that we have between now and whenever the referendum is held that will allow the real arguments, facts and figures to come out.

Andrew Percy (in the Chair): I will now impose a time limit of three minutes, starting with Steve Baker.

10.12 am

Mr Steve Baker (Wycombe) (Con): This morning shows that this year could be a time of great blessing, Mr Percy. We are blessed to have you in the Chair and the Government are blessed indeed that the people of Kettering have seen fit to send my hon. Friend the Member for Kettering (Mr Hollobone) here so that he could secure this debate and give the Government this opportunity, which I am sure is intended to be helpful, to review the renegotiation and take a really good look at where we stand before the Prime Minister's statement later today.

What do we want from this renegotiation?

"We are very clear about what we want: British judges making decisions in British courts, and the British Parliament being accountable to the British people."—[*Official Report*, 3 June 2015; Vol. 596, c. 582.]

That is what my right hon. Friend the Prime Minister said on 3 June 2015, albeit in relation to the European Court of Human Rights. However, as the European Scrutiny Committee has reported, the charter of

fundamental rights is now in EU law, which means that we are in a horribly complex situation where exactly the kinds of decisions to which my right hon. Friend was objecting are now increasingly subject to the jurisdiction of the European Court of Justice.

It seems that the Prime Minister's heart is in exactly the right place—British courts, British judges, and a transparent and accountable British Parliament answering to the people—but that the only way that one can achieve those obvious desires of the Prime Minister is to leave the EU or, at the very least, to request a fundamental change to exempt wide areas of public policy from the jurisdiction of the European Court of Justice, which is something that the Government are not doing.

The hon. Member for Blackley and Broughton (Graham Stringer), who I am glad to follow, talked about the yellow card procedure. I just checked while he was speaking, and the current yellow card procedure requires a third of Parliaments to agree with one another. Well, my goodness, if a yellow card requires a third of Parliaments, whatever will a red card system look like? Presumably it would be a supermajority, which seems an entirely worthless way of trying to assert the rights of national Parliaments. So why have we got to a position where the Prime Minister's heart is very clear on the issue of British courts, British judges and the power of our Parliament, and yet we end up with such a thin renegotiation?

Over Christmas I was reading Hugo Young's history of the EU, "This Blessed Plot". On page 170, he writes:

"Along with serial inconsistency, this discrepancy between deeds and words is the political style that infuses, time and again, the history of Britain-in-Europe. Fatally aberrant, often counter-productive, these are practices the political nation has regularly adopted as its only way of coping with the project that dominates its existence."

That is the problem we have. Time and again, we are locked into this futile hope that the EU project would be other than it is. With just 15 seconds remaining, I will refer to Vote Leave's research, which shows that nine out of 10 of the Prime Minister's pledges on the EU have been dropped. We are shut into a situation in which the referendum will be held on substantially the basis of the Lisbon treaty. That is not good enough. We should leave.

10.15 am

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Mr Percy. As I said to you earlier, does your position in the Chair mean that you have mellowed? I am not sure whether you have or not, but it is good to see you there anyway. I thank the hon. Member for Kettering (Mr Hollobone) for securing this debate, which we will contribute to in this very short time.

In a political lifetime, there have been divisions within parties and within the nation over our relationship with Europe. Indeed, some of the defining issues of 2015 were directly related to the UK's membership of the EU. When we started 2015, there was a financial crisis. As the year moved on, there was the migrant crisis, to which EU members responded in their own ways.

Over a period of time, I have noticed a clear change of mood. According to the survey of large businesses released by Deloitte just this week, business support for

membership of the EU has narrowed from 74% six months ago to 62%. In total, 28% of those who were surveyed said that their decision depended on the outcome of the renegotiation of UK membership—up from 23% in the second quarter of last year. It is vital that the Prime Minister is as clear and transparent as possible about the renegotiation process. The public and the business community have to know what is going on. Uncertainty will only negatively impact upon business confidence.

Very quickly, in the short time I have, I want to mention some other points. The Prime Minister's key aim is to get the EU to allow the United Kingdom to opt out from the EU's founding ambition to forge an "ever closer union" of the peoples of Europe. I am at pains to understand just where the movement and the progress has been on that. It is hard to believe that one twenty-eighth of the political union would be able to opt out of a core founding principle of the EU project. The Prime Minister needs to be honest and transparent in what he says.

When it comes to the Prime Minister's renegotiation of benefits, again we need clarity. On the aim of restricting access to in-work and out-of-work benefits to EU migrants, the European Commission has said that such a move would be "highly problematic". Does that mean impossible? Is the Prime Minister giving us—the Eurosceptics—false hope, or is there an actual chance that he will achieve his aim on this aspect of the renegotiation? The Prime Minister is seeking greater powers for national Parliaments to block EU legislation—something I totally agree with. Hon. Members have referred to the yellow card system and the red card system, but it seems unrealistic to put that forward when we do not see any evidence of it.

I will finish by mentioning the common fisheries policy, to which the hon. Member for Kettering referred. If we want to retain control and ensure the long-term sustainability of the fishing industry, it should be under the control not of Europe, but of regional bodies and Administrations. If we want to help the farmers—I say this as the MP for Strangford, where there is a fishing sector in Portavogie and a large rural community—we need to take away the red tape and convince them that the money we are putting in from Europe can be used to help them. There is an argument and a battle to be won. I thank the hon. Member for Kettering for giving us all a chance to speak in the debate.

10.19 am

Sir Edward Leigh (Gainsborough) (Con): My hon. Friend the Member for Kettering (Mr Hollobone) has given a consummate performance, in which he really summed up the arguments well. There is only time to give a few headlines. The first hero of this debate is, of course, our Prime Minister because, but for him, there would not be a debate. Even our heroine, Margaret Thatcher, never gave us a full referendum on Europe, so we should thank our current Prime Minister profusely for giving the British people the chance to make this historic decision. It will be a most interesting debate, and I will make one or two points about it.

First, the language should be relatively calm. Authoritative studies prove that leaving the EU, or staying in it, would make a difference of only 1% or 2% to gross national product, so leaving the EU would not

be a great disaster that will cost 3 million jobs. If we leave the EU, I am not sure there will be an extraordinary nirvana. Let us have a measured debate and keep things in perspective.

Secondly, we do not want to have a debate based on nationalism. We Eurosceptics are not nationalists; we welcome political co-operation and friendship with all the nations of Europe. We welcome Poles, French and Italians coming to live and work here, but it has to be measured migration. Ultimately, when there is net migration of 300,000 into this country, the British Parliament has a right to try to make a decision on such matters.

This negotiation is a missed opportunity. My hon. Friend the Member for Kettering is probably right that perhaps a third of the population definitely want to leave, a third definitely want to stay and a third are in the middle. That last third probably want the comfort of remaining in some sort of relationship or partnership with the EU, but I believe they want to regain the supremacy of Parliament and regain control over fisheries, agriculture and, above all, migration. Given that we are the fifth largest economy in the world, and given that we are now a self-confident nation, we are no longer, as was the wartime generation, transfixed by the prospect of the loss of empire and the belief that we had to be part of a larger political union. We have moved on, and we are a self-confident, successful nation. I believe that we can create a dynamic, mid-Atlantic trading economy outside the EU that can move forward and increase prosperity for all our people. That is what I will be arguing in the EU referendum, and this debate is just one of the first steps along that path.

Andrew Percy (in the Chair): We have two speakers left—I left some time for interventions—so there will be about four minutes for each speaker before I call the Front Benchers.

10.22 am

Philip Davies (Shipley) (Con): It is a pleasure to serve under your chairmanship, Mr Percy. I commend my hon. Friend the Member for Kettering (Mr Hollobone) for his brilliant speech. As usual, I agree with everything he said.

I will focus my brief remarks on the renegotiation itself to tell the Minister that we are not fooled, and that the British public will not be fooled, by the farce of this renegotiation. The Prime Minister has already pre-agreed all the things in his letter, and he certainly will not have risked writing a letter asking for things unless they had already been agreed. He has written a letter asking for things that have clearly already been agreed, but he knows that it would lead to more problems if the EU accepted it all straight away—people would say that he had not asked for enough, and all the rest of it—so he had to choreograph a farcical row with all these EU leaders: "Oh, he's gone too far this time. He can't possibly ask for all this. It is an absolute disgrace. He is going way too far this time." And then, lo and behold, as the EU referendum approaches, we can expect that an equally choreographed agreement will be reached one by one in a domino effect across Europe. Hey presto! All these EU leaders will then say, "Actually, go on then. You can have what you've asked for." The Prime Minister will come back saying, "This is a massive triumph for my renegotiation, and it goes to prove that

[Philip Davies]

if you battle hard for such things in the EU, you can get exactly what you want. As a result of my great triumph in these renegotiations, we can now vote to stay in the EU.”

If the Minister and the Prime Minister think that we are all going to be fooled by such nonsense, they are sadly mistaken. The Prime Minister underestimates the British public if he thinks they will be taken in by such choreographed, farcical renegotiation. We all know that it will all be agreed and that the renegotiation is just a farce. If the renegotiation is really meaningful, presumably the Prime Minister, who for years berated the previous Labour Government for giving up our rebate, would have made it a key part of his renegotiation strategy to get the rebate back by seeking a reduction in the amount of money that we hand over each year. He is the one who has been going on about that so much over the last few years, yet he did not even ask for it. It is perfectly clear that this is not a meaningful renegotiation; it is not covering all the things that the Prime Minister wants to see. The document that he sent is a request for things that have already been agreed by EU leaders so that he can come back and say that his renegotiation is a great triumph.

As it happens, I do not blame the Prime Minister for his strategy to some extent. I have never known a Prime Minister to come back from a renegotiation saying, “Do you know what? I gave it my best shot, but it was a disaster and I didn’t get anything at all.” Every Prime Minister comes back from a renegotiation saying that it was a great triumph. Even Neville Chamberlain said that his renegotiation was a great triumph, so I do not blame the Prime Minister for doing so—that is just the way it is.

Like my hon. Friend the Member for Gainsborough (Sir Edward Leigh), I commend the Prime Minister for giving us the referendum that the British public have wanted for so many years. There is no question that we will fall out with each other—everyone has their view, and I respect people’s opinions. All I will say to the Minister is: please, do not treat us like fools. Please, do not pretend that this is a meaningful renegotiation. Please, do not pretend that the Prime Minister is battling hard to agree these things with the EU. We are not that stupid, and the British public are not that stupid. When the referendum comes, I hope the facts will win the day. We can survive and prosper on our own. We have a huge net trade deficit with the EU, and we would be the EU’s single biggest export market. There is no way that we would have an end to free trade. Ultimately, when people voted to stay part of the common market in 1975, that is what they thought they were voting for—free trade. We can have that for nothing, and we do not need to pay £19 billion a year to have something that we can have for nothing.

10.26 am

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Britain’s contribution to the European Union since we joined has been massive, honourable and, from a fiscal perspective, extremely generous. I therefore believe that we are renegotiating from a position of strength. I take great pride in being the first British Member of Parliament to have been born in Poland, so I am one of these

migrants. I regularly go to Warsaw and talk in Polish to Polish politicians, journalists and other people. I try to reiterate to them the extraordinary support that Poland has had from the United Kingdom for many years—whether it was during world war two, Solidarity in the 1980s, helping Poland enter NATO and the European Union, getting rid of Poland’s communist-era debts to the Paris Club or guaranteeing its borders after German reunification—yet I am extremely disappointed with the intransigence coming out of Warsaw when, for the first time, the United Kingdom is seeking support from Poland and other countries, with everything that we have done for them over such a long period of time. The intransigence and the difficulties are pushing me towards campaigning to pull out of the European Union. I have not yet decided but, when one thinks of what the United Kingdom has done for these countries, it is disappointing that their support for us is now so lacking.

The Prime Minister has asked me to advise him on the eastern European diaspora in this country, and I go around the United Kingdom meeting many Polish organisations. Poles are here not to claim benefits but to work. I am very proud of the Polish community’s contribution to the United Kingdom, and I am extremely disappointed and concerned that the media are focusing so much on the issue of benefits reform. That is why I asked my hon. Friend the Member for Kettering (Mr Hollobone) about his views on that issue. Our renegotiation should not boil down to whether EU migrants get the same benefits as our own citizens. No, I believe that what my constituents in Shrewsbury want—I know a little about what they want because I asked them about their views—is fundamental reform of our membership of the European Union to back up what he said earlier about who governs Britain and how Britain can make such decisions and be accountable to the electorate.

I am worried that Warsaw is trying to conflate the issues of potentially supporting us in exchange for our support for permanent NATO bases in Poland. What is the Minister’s view on that? I am a great supporter of NATO bases in Poland, and I raised the issue with the Secretary of State for Defence at the 1922 committee. We should be helping our NATO allies and protecting them from any aggression from Russia, but the two issues should not be conflated in these important EU negotiations.

Lastly, I have been to villages and towns in Poland that have been completely depopulated. The risk is that there will not be enough people to look after the vulnerable and elderly, because so many young and talented people have left Poland to come to the United Kingdom. If the free movement of people is to work, it must be more equal among the nations. Something must be done to address the massive flows of people coming to the United Kingdom, because it is a concern for my constituents in Shrewsbury.

10.30 am

Stephen Gethins (North East Fife) (SNP): Mr Percy, it is good to see you in the Chair. I wish everybody in the House a happy new year—or *bonne année*, if you will—and I congratulate the hon. Member for Kettering (Mr Hollobone) on securing this timely debate. We might not agree, but I congratulate him on the way in which he has conducted himself in this debate.

The Scottish National party would like to say to all Members, in the debate on European Union membership, that we believe that the United Kingdom can be a successful, independent country outside the European Union but we want to debate whether it should be outside it. Those are the parameters of debate within which we should work. I have several questions for the Minister that I will ask later, but I do not want to give him too much of a hard time; his own party is doing that already. We heard this morning—he can tell us whether or not it is true—that Ministers will be given a free vote in the European Union referendum. I look forward to his comments on that.

Mr Baker: It is of course a secret ballot; the crucial issue is whether Ministers will have the freedom to campaign from within Government.

Stephen Gethins: I thank the hon. Gentleman for the correction. Based on that, will the Minister tell us on which side he will be campaigning in the forthcoming referendum? Similarly, I do not want to be too hard on Labour Members. I sincerely hope that the right hon. Member for Wolverhampton South East (Mr McFadden) will be with us on the European portfolio by the end of today. I know how committed he is to the European perspective.

Tim Loughton: The hon. Gentleman makes an interesting point about what Ministers might be able to do. What will SNP spokesmen be able to do, and is it the policy of every single SNP Member that they are in favour of our continued membership of the EU?

Stephen Gethins: I thank the hon. Gentleman for that intervention, which leads me nicely on to the position of the only party in this House that is united on the European Union—[*Interruption.*]—notwithstanding our colleagues in Northern Ireland. The SNP has set out its position clearly. First, we are against a referendum, because we do not think that it would bring substantial change; Conservative Members seem to agree. The other reason, and a smaller point, is that it was in our manifesto not to have a referendum on the European Union. Since we won the election—it was the worst election result for the Conservatives in Scotland since 1865, 150 years ago—we have stuck to our manifesto commitments, revolutionary as that might seem, by voting against a referendum.

The SNP Government, joined by their partners here in London, have set out their position. The First Minister made a very good case in a speech on 2 June to the European Policy Centre. At the moment we see an opportunity for renegotiation, but as many Members have said, we think that the Government are doing a great job of losing friends and influence throughout Europe. Areas for renegotiation set out by the Scottish Government include public health; the Scottish Government have so far been unable to implement minimum pricing for alcohol. Whether or not others agree with it, it is the democratically elected Scottish Government's way of tackling a specific public health issue.

Another area is fishing; obviously, although the Minister can confirm this, there will be no treaty change. Scottish fishermen can tell of the failings of the common fisheries policy; they were of course described by the UK

Government when we entered the European Union as expendable in the pursuit of the UK's broader interests, so they are well aware of the impact of UK membership of the European Union.

Jim Shannon: The hon. Gentleman is aware of the opinions of Scottish fishermen who are opposed to Europe and want out. How will the Scottish National party represent that viewpoint?

Stephen Gethins: The hon. Gentleman makes a good point. We say that an opportunity to renegotiate on that issue and more broadly has been squandered. We think there is another squandered opportunity, in that any renegotiation should be a two-way process. Yes, we should examine some of the powers that we have and institutional changes, but we should also consider working more closely with our European partners on some issues. Will the Minister discuss those?

I refer, of course, to issues such as energy. At the moment, we are on the cusp of spending billions on French and Chinese nuclear technology, while our renewables industry, in which Scotland could have led the way, is suffering as a result of UK Government policy. Energy union would have had huge benefits across the continent, not least for our economy. What about climate change? Does the Minister think that we should be working more closely with our European partners?

Finally, on security issues, no country—not the UK, and not Germany—can deal alone with the challenges of Ukraine, Syria, Yemen or the biggest refugee crisis since the second world war. We contend that we can and should be working more closely with our European Union partners, as well as our NATO partners, on those challenges. They are also issues on which the Scottish Government have a great deal more in common with many of our European Union partners than with our partners in the UK Government down in London.

Sir Edward Leigh: On the issue of working together, our waters are teeming with fish. They are the most productive fishing grounds in the world. During the last two days of negotiations, in order to get support, Ted Heath gave away control of our fishing policy. Ever since then, we have had nil success in regaining real control of our own fertile fisheries. Although I wish the hon. Gentleman well with regaining control within the EU, he will find it difficult.

Stephen Gethins: I concede that the hon. Gentleman makes a good point. As I have said, Scottish and other fishermen were described as expendable. It is a shame that that issue was not further up the agenda for the UK Government. However, he makes a good point. Can the Minister tell us what efforts were made on fisheries?

I have several other questions for the Minister. Members across the House will be aware that Angela Merkel has said that freedom of movement is non-negotiable. Can the Minister tell me what negotiations he has had with Germany and whether it is indeed non-negotiable? Can he also expand on chapter 20 of the European Union's conclusions? I understand that numerous other things were going on, and that only one paragraph was given over to the United Kingdom. We concede that given everything else that was happening, there were

[Stephen Gethins]

other priorities, but can the Minister expand on the “substantive and constructive debate” that it mentions, and on the scope for more co-operation? He has already said that there is more scope; does that include issues such as climate change, energy or others?

What formal role will there be for the devolved Administrations? Co-operation with them has already been sadly lacking; goodness knows, the UK Government need friends and influence. The Scottish Government have already said that they are more than happy to help, as I am sure are our colleagues in Northern Ireland or in Wales. Finally—I will repeat my question so that the Minister does not dodge it—is it true that Ministers will have a free vote, and how will he campaign?

10.38 am

Mr Pat McFadden (Wolverhampton South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Percy. I wish you and all the other Members present a happy new year, and I congratulate the hon. Member for Kettering (Mr Hollobone) on securing this debate. It is fitting and timely to begin the year by discussing this issue. If the referendum is held in 2016, it may well be the defining political issue of the coming year. It certainly dominated the media over Christmas and the new year, as various Conservative grandees came out either for or against EU membership, or gave their views on the issue of the application of collective Cabinet responsibility.

Since our debate began about an hour ago, we have been led to believe that the Prime Minister will make an announcement this afternoon confirming that collective Cabinet responsibility will not apply on the issue of the referendum, and that Ministers will be free not only to vote as they wish but to campaign as they wish. So, my first question to the Minister is whether those media reports, which are running as we speak, are true, and whether collective Cabinet responsibility will indeed not be applied on this issue.

Mr Peter Bone (Wellingborough) (Con): In the right hon. Gentleman’s party, collective Cabinet responsibility has obviously been given up already. In relation to the EU, does he think that Ministers and shadow Ministers should be able to campaign as they see fit?

Mr McFadden: I agree with the hon. Gentleman that Labour Members know a thing or two about free votes after our recent experience, and his intervention gives me a chance to pick up on some of the points made by my hon. Friend the Member for Blackley and Broughton (Graham Stringer).

In the Labour party, we have a clear policy—passed by our conference—to campaign for the UK to remain in the EU. I am not aware of any Front Bencher who disagrees with that policy. There is a pro-Europe group in the parliamentary Labour party that has the names of 214 of the 232 Labour MPs, including every member of the shadow Cabinet. So that is where we stand regarding the balance of views on the issue. I do not deny that there are some Labour MPs who take a different view, as my hon. Friend the Member for

Blackley and Broughton set out, but they are only a small minority of the parliamentary party. That is where we stand on this issue.

Daniel Kawczynski *rose*—

Mr McFadden: I will make a little progress before giving way again.

Regarding the terms of the renegotiation, which is the subject of this debate, we have had the exchange of letters between the Prime Minister and one of the “famous five” Presidents, Donald Tusk, who is the President of the European Council. Mr Tusk replied to the Prime Minister’s letter on 7 December, setting out his assessment of where other member states stood on this agenda. There are four items, or four “baskets” as they say, and we are led to understand that progress has been made on the first three issues—protection for non-eurozone countries, competitiveness and the rights of national parliaments—but that further discussions are taking place on the final issue, which we are led to believe is the most difficult of the four issues to resolve, and which is the issue of access to in-work benefits for workers from other EU member states.

Daniel Kawczynski: I am grateful to the shadow Minister for giving way. On that point, could he clarify matters for us? Bearing in mind the way that renegotiation is going, what is the Labour party’s official position as to whether or not it is in our country’s national interests to have the referendum earlier—in other words, in June or September 2016—or later, in 2017?

Mr McFadden: I thank the hon. Gentleman for that intervention. We have not expressed an opinion on the exact timing, other than to say, as we said during the passage of the European Union Referendum Act 2015, that we do not think it is a good idea to combine the referendum with other important elections scheduled for May this year or May next year, because this issue is of such import that it deserves a campaign and a vote on its own. That is what we have said about how the referendum should take place.

I will put a couple of questions to the Minister about the renegotiation. First, is it correct for people to conclude that there has been substantial progress on the first three issues that I have referred to, but that the fourth issue remains more difficult to make progress on?

On that fourth issue, which is the issue of tax credits and other in-work benefits for workers from other EU member states, the Government’s contention is that the availability of those benefits acts as a pull factor, resulting in levels of immigration that are higher than they would otherwise be. Consequently, the Prime Minister claims that if those benefits are curtailed in the way that he has set out immigration will go down. I disagree with a lot of the points that have been made today by hon. Members who wish to campaign to leave the EU, but there is one issue on which I think I am in some agreement with them, which is to be sceptical about this claim. What evidence do the Government have for the contention that these in-work benefits are affecting the level of immigration? By how much do the Government believe that immigration from other EU member states will go down if the availability of in-work benefits is cut in the way that the Government have set out?

The Office for Budget Responsibility, giving evidence to the Treasury Committee before Christmas, said that its view is that such a change to in-work benefits would make little difference to immigration levels. Also, is it not the case that the vast majority of people who come to the UK from other EU member states come to work hard, pay their taxes and make a positive contribution to this country, in the same way as anyone else?

Graham Stringer: I am grateful to my right hon. Friend for giving way and I am pleased that he is sceptical about the basis of the Government's policy in this area. However, does he agree not only that that policy will fail to do what it says on the tin, but that it is an offensive policy, which will be very divisive in the workplace?

Mr McFadden: I think there is a case for a discussion about the basis on which people have access to benefits, but there is a big difference between saying that and claiming that restricting access to benefits will make a fundamental difference to immigration levels. The truth is that people come to the UK because it is a great country, not because it is a "soft touch" on welfare.

We will probably see the results of the renegotiation soon, so I would also like to ask the Minister a question about timing. If he expects that there will be a conclusion to these negotiations at the European Council in February, what will be the implications of that conclusion for the timing of the referendum itself? The 2015 Act only says that the referendum must be held by the end of December 2017, but the Prime Minister's new year message indicated that it was more likely to be held later this year. I ask the Minister directly: if the renegotiation is completed in February, is it the Government's intention to hold the referendum this year rather than next year?

In one or two of the interventions on me, I was asked about my own party's position. Our view is that we should not make the decision about whether or not Britain remains a member of the EU on the basis of this renegotiation. At the end of the day, the question on the ballot paper is, "Remain or leave?" It may be the case that the Prime Minister's renegotiation has some impact on the public view of that question, but it may well not be the case, because there are issues concerning our EU membership that go well beyond the four items that the Prime Minister has set out in his renegotiation.

Our party conference quite clearly supported a position of being in favour of remaining in the EU and our campaign to remain in has already been launched, under the leadership of my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson). We want to see what the renegotiation produces, but that is our basic position.

My final point in response to some of the arguments that have been put forward by Government Members is that we have been told repeatedly today that we can retain access to the single market without paying anything for it. I would like to ask a question about that assertion, which is perhaps more for the hon. Member for Kettering, who secured this debate, than for the Minister. On what basis is it made? If the British people are going to be asked to exchange more than 40 years of EU membership for a future outside the EU, they have a right to know—with some certainty—what that future will entail. What will it mean for access to the single market? What will be the

price for access to the single market? What will that future mean in terms of our adherence to the rules of that market while we perhaps forgo any say about what those rules are? What will it mean for inward investment in this country, which in European terms comes at the rate of tens of millions of pounds every single day? What will it mean for our export industries? What will it mean for our research, our universities, our agricultural industries and so on?

Whatever the flaws of the EU, a referendum on it is not only a referendum on one future but a choice between two futures, and those who advocate leaving the EU need to do an awful lot more to say what being out would be like.

10.50 am

The Minister for Europe (Mr David Lidington): It is a pleasure to serve under your chairmanship, Mr Percy, and I hope that this is but the first of a number of such occasions.

I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on securing the debate. As he said in his opening remarks, he is a long-standing, open and honourable opponent of Britain's membership of the European Union, and I know he will not take it with any sense of offence if I say that I would have been flabbergasted had there been any conceivable renegotiation by this or any other Prime Minister that would have come near to being satisfactory enough for him to support continued EU membership. My hon. Friend set out his case as I would have expected—lucidly and with conviction—and I want to spend most of my speech addressing some of his points.

As I suspect Members had anticipated, my right hon. Friend the Prime Minister will make an oral statement this afternoon on the outcome of the December European Council, and the House will understand that I will not pre-empt what he may say in that statement and in his answers to subsequent questions.

My hon. Friend the Member for Shipley (Philip Davies) expressed some scepticism about the current negotiation, claiming that everything had been agreed and it was all just a matter of choreography. His view of the choreography seems to have the same generosity of spirit as Craig Revel Horwood shows when assessing the skill of "Strictly Come Dancing" competitors. If only my hon. Friend had been with me at European ministerial meetings! I will even lend him a badge with the blue flag and the gold stars on it if that will aid his passage into the Justus Lipsius building.

I think that my hon. Friend the Member for Shipley would recognise that the arguments of our right hon. Friend the Prime Minister are not being met with an unreserved welcome from our partners. They have made it clear that they wish the United Kingdom to stay in the European Union, and that the European Union itself is stronger for this country's membership. At the December European Council, Heads of Government raised objections and difficulties in respect of all four areas of policy. In the eyes of our partners, the Prime Minister is pursuing an ambitious and far-reaching set of reforms that challenge a number of the ways in which the European Union has been accustomed to doing its business and thinking about its vocation.

[Mr David Lidington]

My hon. Friend the Member for Kettering mentioned a number of concerns about which I hope to give him a measure of reassurance. He talked about the Five Presidents report. The report is explicitly and chiefly about the future of the eurozone, and there is a challenge for those of our partners who have decided to commit themselves to that currency union. We can take a view as to whether they were wise to do so, but it was their sovereign decision. It seems logical that a commitment to a single monetary policy, a single interest rate and a banking union has broad implications for the future conduct of fiscal and economic policy, and our colleagues in the eurozone may therefore wish to consider some of the ideas coming out of the report, such as a eurozone treasury function and a single eurozone—not EU—seat on bodies such as the International Monetary Fund. Such decisions would not bind, or create obligations for, the United Kingdom, and if the Five Presidents report were to lead to a new European Union treaty, that would require the unanimous agreement of member states and be subject to primary legislation in the UK. Were any such treaty to include measures that transferred additional competences from the United Kingdom to the European Union, it would also be subject, under the terms of the European Union Act 2011, to a self-standing referendum in this country. I would hope, therefore, that my hon. Friend could take some reassurance on that point.

My hon. Friend also mentioned Greece, and I can tell the House that the UK has, and has had, no liability in respect of Greece, either through the European stability mechanism or the European financial stability facility—EFSM—which are both euro-only. Greece has paid back its bridging loan through the EFSM, but the UK had, in any case, ensured that we would face no liability in the event of Greece defaulting on that obligation. Greece has IMF loans, to which we contribute our usual share, and our IMF liability would continue whether we were inside or outside the European Union.

My hon. Friend also mentioned Turkish accession, which is something that both Conservative and Labour Governments over the years have supported as a strategic objective. Although we are nowhere near such accession

at the moment, it would require the unanimous agreement of member states and a treaty, subject to primary legislation here. The Prime Minister has said that he is not prepared to agree to any new accessions to the European Union without reform of the transitional arrangements for migration from new countries, to put them on a much more effective and objective basis than the time limit of five or seven years after which all restrictions fall away.

It is hard to argue both that the EU will be inimical to our interests, resistant to what we want to do and jealous of our freedom of national action and that, in the event of a British exit, it would agree to sign up to our continuing to enjoy all the things we like about EU membership without any of the things that might matter to other countries but which we find irksome. Whatever the outcome of the renegotiation, that will be something that people will have to weigh up. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) said that it will not be the end of the world if we leave the EU, and I agree, but the judgment that the British people will ultimately have to make is whether it is in the interests of the country's prosperity, national security and worldwide diplomatic influence to be inside or outside the organisation.

When we consider trade, for example, we have to judge the likelihood of getting a free trade agreement outside the EU. In 2014, we sent roughly 44% of our exports to the EU27 but received only about 10% of that bloc's exports. We would not be in as powerful a leverage position in the hypothetical circumstances as is sometimes argued, nor have Norway and Switzerland found that they can simply have all the benefits of access to the European single market without the obligation to apply EU laws—as the effect of that single market—and to contribute to the European Union's budget.

I look forward, therefore, to the Prime Minister's being successful in his renegotiation, to his getting a deal that makes Europe more democratic, prosperous, trade-minded and flexible than it is today, and to campaigning in his support when the referendum comes.

Question put and agreed to.

Resolved,

That this House has considered renegotiation of UK membership of the EU.

Regional Theatre

[MR NIGEL EVANS *in the Chair*]

11 am

Will Quince (Colchester) (Con): I beg to move,
That this House has considered regional theatre.

When we think of theatre in this country, many minds inevitably turn to one place: the west end. With its big musicals, high production values and ability to attract all-star casts, the London theatre scene dominates perceptions of British theatre, but we too often forget the importance of regional theatre to British cultural life. Although regional theatre has a broad definition, it is generally used to refer to theatre outside of the London heartland.

I called this debate for two reasons: to celebrate the success of Britain's regional theatres and to raise awareness of the challenges to their long-term viability. The west end is often the showcase of our best theatre, but it does not exist in a vacuum; it exists because it is fed and sustained by the talent of regional theatres across the country. Regional theatre is the grassroots of the theatre system in this country, but critically it is also the home of excellent theatre in its own right. Innovative, challenging and thrilling theatre is being created to an exceptionally high standard, rivalling any nation in the world. Regional theatre is not and never should be second best. Yes, some of the work created regionally will transfer to London or the global stage, but there is so much collaboration happening between regional centres of excellence, from one region to another.

Regional theatre is so often where the careers of some of our best British actors and actresses begin and where some of our most innovative plays and productions start their lives. Sir Ian McKellen's acting career began at the Bolton little theatre. Sir Antony Sher took his first acting steps at the Frinton summer theatre. Jonathan Pryce started his career at Liverpool's Everyman theatre and Sheila Hancock began her work as an actress at the Kings theatre in Southsea and the New Theatre Royal in Portsmouth in the 1950s. Those actors and actresses are not only national treasures—a much overused phrase—but also reflect some of the many cultural exports shaping perceptions of British culture overseas. Indeed, Hugh Bonneville of “Downton Abbey”, “W1A” and “Paddington” fame took part in six productions at Colchester's Mercury theatre in 1988 and 1989, long before he was a household name. The stint took him to roles as diverse as Petruchio in “The Taming of the Shrew” and the pantomime dame in “Dick Whittington” at Christmas. All great careers have to start somewhere.

Regional theatre is also the incubator of some of our best new plays and original productions. Some very successful new plays in recent years have started life in our regional theatres. The play “ENRON”, which is about the Enron scandal, started life at the Chichester Festival theatre in 2009 before being moved up to bigger venues in London, as did the recent smash hit “Gypsy”, which was filmed for TV this Christmas. “On the Shore of the Wide World”, a play about three generations of a Stockport family by Mancunian

playwright Simon Stephens, opened at the Manchester Royal Exchange in 2006 before transferring to London's National Theatre.

I understand that much of our regional theatre is not self-financing. It relies on subsidy from the Arts Council and local government to ensure its year-to-year viability. In Colchester, the Mercury theatre's income is 30% grant income, with the other 70% earned, but as the previous director of the theatre, Dee Evans—she held the role for 14 years—once said:

“If you invest in the work and it's good, people will come”.

Public subsidy helps sustain many of the great productions that our regional theatres put on. The Mercury recently underwent a £580,000 refurbishment, with £400,000 provided by the Arts Council. The funding refurbished the studio theatre, increased capacity to more than 580, improved disabled access and installed better soundproofing. It was the biggest investment in the theatre since its opening in 1972. The funding will help open up the theatre to more school and community groups and ensure that even more people can enjoy and participate in quality theatre locally.

Mrs Flick Drummond (Portsmouth South) (Con): My hon. Friend just mentioned the New Theatre Royal in Portsmouth, which also completed a major extension and refurbishment last year, supported by bodies including the Parity Trust, Arts Council England and the Heritage Lottery Fund. Its key partner is the University of Portsmouth, which is now sharing part of the site. Does he agree that that kind of collaboration between theatre and education is a great way to safeguard the future of our theatres?

Will Quince: My hon. Friend makes a valuable point. Regional theatres are the very best at collaboration, at working with local partners and, in particular, at getting young people involved in arts and culture locally, so I totally agree with her.

It was a great pleasure to be invited to speak on the stage at the opening of the studio. I am unlikely to make the west end after that performance, but I have instead fortunately found a calling in Westminster. They do say that politics is show business for ugly people.

Jo Churchill (Bury St Edmunds) (Con): Never mind. [*Interruption.*] Sorry, would my hon. Friend like me to intervene?

Will Quince: No, my hon. Friend does not need to intervene. It is very kind of her. The thought is there.

Investment in our regional theatre is not just a sunk cost; it has real economic benefit in our towns and cities. The latest research from the Mercury theatre shows that every £1 of grant aid that the theatre receives generates £3 locally in Colchester. The economic impact of the Mercury theatre on our local area was £3.6 million—a not insignificant sum.

Andrew Bingham (High Peak) (Con): I congratulate my hon. Friend on securing this debate. In my constituency we have Buxton opera house, which is fabulous and well worthy of a visit by any Member. We also have the Buxton festival, which is an opera and literary festival

[Andrew Bingham]

that was graced by the Prime Minister a few years ago. The benefit that the theatre brings to the local economy is huge. It is not just the people coming to see the productions, but the people coming to see the theatre and the whole cultural aspect on offer in the High Peak. That is another benefit that regional theatres bring to rural communities such as mine.

Will Quince: My hon. Friend makes a valuable point about a trend that can be seen nationally. Recent research for the Arts Council in August showed that theatre subsidy helps support more than £2.2 billion of private sector activity. Although theatres are becoming better at sourcing their own moneys—regularly funded theatres are now earning 62% of their total income, which is six percentage points more than four years ago—the report said that very few regional venues could justify a claim to be profitable were all subsidies removed.

Investment in our theatres not only has a strong economic impact, but is critical to the health of the acting professions and the creative arts. Research from 2013 on the effect of publicly funded arts on creative industries found that 62% of those working in subsidised theatre believed working in the sector to be highly important to a successful career in theatre. Respondents were more likely to say that publicly funded theatre gave greater opportunities for presenting challenging work and new work and for providing sufficient time to experiment than big commercial theatre.

Mrs Drummond: I have two major theatres in my constituency, and the Kings theatre is running a course on stage pyrotechnics this weekend. It is open to anyone with an interest in a career in theatre. It takes on a lot of apprentices, too. Does my hon. Friend agree that that kind of activity is a good thing for local theatres to be supporting? It is important that theatres appeal to people with an interest in what happens backstage, as well as on the stage.

Will Quince: My hon. Friend makes a valid point. The more locally skills can be developed and enhanced, the better. It is important that regional theatres offer those skills, particularly to young people locally. I totally support that.

Theatres are more focused on reflecting the local communities in which they operate, creating benefits for social cohesion and integration as well as for education, health and wellbeing. In 2015, Arts Council England published an excellent evidence review, which evidences the total benefit of the arts to society and the economy.

Jo Churchill: I thank my hon. Friend for securing this debate. I have in my constituency the only example of a regency playhouse in the country. We have the historic value of the building—it is 87% self-funded—and, as it reaches out, it is very hard to put a price on its social value. We reach out to Women's Aid and work with them. We reach out to children with physical and mental disabilities and to Suffolk Age Concern. We also work with the YMCA, and young people who are homeless and without work have come to work in the theatre. Does my hon. Friend agree that a price cannot be put on that?

Will Quince: I totally agree with my hon. Friend that we cannot put a price on social cohesion and integration with communities. It is a crying shame that so many former theatres now belong to Wetherspoon and other pub chains or are now cinemas. Once we lose our regional venues, they are lost for ever to commercial ventures. I totally support the point made by my hon. Friend.

We are in tough financial times and the Government still have a sizeable deficit to eliminate. The pot of money that the Arts Council and the Government have at their disposal is not limitless. However, it was very encouraging to see the Chancellor increase the cash going to the Arts Council at the autumn statement by around £10 million a year. I hope this generous increase in funding will help the Arts Council to fund some great restoration and innovative projects in our subsidised regional theatres outside London.

Let us think about what the extra money could do in our regional theatres. In the previous Parliament, there were small cash cuts to theatres in receipt of more than £250,000 a year. However, BBC research on 62 of those subsidised UK theatre companies between 2009 and 2014 produced encouraging results. It found that those theatre companies were producing more plays, increasing production levels and introducing new writing. It is fantastic to see our theatres defying expectations and being innovative to boost funding streams and new productions.

Such good news is reinforced by recent box office ticket numbers from UK Theatre, which show that total audience numbers, performances and ticket takes are all up on the previous year. However, the report shows that there are still severe challenges ahead for regional theatre. The big family musicals that we all know and love dominate our regional scene, accounting for £1 in every £4 taken at UK theatre box offices.

Moreover, overall ticket sales for plays fell by 278,000 in 2014, and on average auditoria were only half full. Equally, the category of auditoria of principally producing theatres—theatres that produce most of their own work, like the Mercury in Colchester—saw a decline in performances and ticket sales in the past year. Although I am delighted to say that the Mercury bucks that trend with 10% audience growth in the past year, there is a national pattern, which we ignore at our peril.

Ben Howlett (Bath) (Con): I congratulate my hon. Friend on presenting this debate today. I was a frequent visitor to the Mercury in my early years, so it is a privilege to be able to intervene in today's debate. My constituency has the Theatre Royal, which, like the Mercury, creates its own productions. Does he agree that the matter is not simply about subsidies, but about reducing subsidies owing to the current economic times? We need to look at the excellent work of the previous Parliament in allowing tax credits to enable productions to happen, thus enabling regional theatre to pump more money into local communities to educate people and also help younger people to access theatres.

Will Quince: My hon. Friend makes a really good point. There are innovative ways of funding regional arts and theatre, and Government subsidy is not the only option. Having said that, it will take time. We have already seen 6% year-on-year growth, so we know the subsidies are coming down. Regional theatres are doing

better and better every year and doing more and more in their local communities, but for the time being, subsidy is still required to ensure that those excellent facilities and the service they provide are maintained.

I hope I have been able to do this important topic justice in such a short space of time. We should be proud of having such a strong theatre scene in our capital, but great culture and theatre is not only for the great and the good in London. When regional theatre does well, our whole cultural scene benefits. Audiences have greater access to quality theatre; budding performers and writers have the chance to innovate and partake in new material; and the local economy is boosted. No one could accuse the Culture Minister of missing an opportunity to take the stage, and I look forward to hearing his response on what we can do to develop regional theatre and ensure it gets its fair share of funding to inspire a new generation to visit and partake in our country's theatre scene.

11.15 am

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): It is a pleasure to serve under your chairmanship, Mr Evans. As we are talking about all things artistic, may I say that I thought you produced the most artistic Christmas card of 2015? The picture of you with a hot steaming mug of tea gazing over the Thames from the House of Commons Terrace took prominent place on my mantelpiece over the Christmas period.

Before I move on to the main debate, may I also pay tribute to the former shadow Secretary of State for Culture, the hon. Member for Barnsley East (Michael Dugher), who was sacked this morning by his leader, much to the annoyance of many Labour Members, which is perhaps why we do not see a single Labour Member here to take note of this important debate? I have lost count of the number of shadow Secretaries of State and shadow arts spokesmen that I have seen in my more than 2,000 days in this office. No doubt we will see another one shortly. However, at the moment cultural policy in the Labour party remains leaderless—not that it matters much, because cultural policy has strong leadership in the Government. It is a pleasure to see five of our most prominent Back Benchers showing that that leadership extends throughout our party.

I begin on an embarrassing note: I have not yet visited many of the fine theatres mentioned in the debate. That is extraordinarily embarrassing.

Jo Churchill: Will the Minister give way?

Mr Vaizey: I wonder whether an invitation is on its way.

Jo Churchill: Among his many attributes, the Minister is a mind reader. An invitation is flying across the room towards him. He is more than welcome to visit either the regency theatre that I mentioned or the John Peel Centre in Stowmarket, which is a modern version of somebody really reaching out into my local community and giving good service.

Mr Vaizey: I would be delighted to find the time to visit. I am embarrassed because I spend a lot of time visiting theatres in the regions. Equally embarrassing is

the fact that the Mercury theatre is run by somebody I know well, Steve Mannix, who I bumped into at a round table that we held recently to discuss our forthcoming White Paper. Stephen Barlow, who runs the Buxton festival, is also a friend of mine.

All the different theatres cited by my hon. Friends the Members for Portsmouth South (Mrs Drummond), for High Peak (Andrew Bingham), for Bury St Edmunds and for Bath (Ben Howlett) deserve our recognition and congratulations. The debate was secured by my hon. Friend the Member for Colchester (Will Quince), who, as he pointed out in his maiden speech, represents the true capital of our country: it was Colchester long before Londinium. He is using this debate to highlight that Colchester is one of the cultural capitals of our country. The remarks made by him and my other hon. Friends chimed well with me, because I have returned fresh-faced after our two-week break to complete work on our forthcoming White Paper on culture.

I want to bring out two themes. First, culture does not begin and end in London. There is a lively debate about the amount of funding that goes to London's arts institutions as opposed to institutions that exist outside the capital. It is good that my hon. Friend the Member for Colchester has highlighted the thriving artistic scene in Colchester. Also, my hon. Friend the Member for Bury St Edmunds talked about the work that her theatre does with Women's Aid, children with special needs and Age Concern.

The other theme relates to how important culture is to so many different aspects of our lives. A thriving cultural scene not only brings great economic benefits to an area in terms of tourism and inward investment; it also brings immense social benefits in terms of being able to use culture to reach out to different communities.

On the national picture, it is true that although my hon. Friend the Member for Colchester was right to point out concerns about regional theatres, on the whole they continue to thrive. Box office takings in 2014, the last year for which we have figures, were worth more than £400 million, and 18 million tickets were sold. As a whole, theatre made a contribution of almost £5.5 billion to our economy. Interestingly, despite the debates over arts funding, that is a significant increase of more than 7.5% since 2008. The sector employs almost a quarter of a million people, and almost 3 million tourism visits a year include a trip to the theatre, musicals or the opera—twice as many as the number of tourists who visit a sporting event.

As I said earlier, theatres contribute massively to our regional cultural life, and the Government obviously play an important role in supporting regional theatre. My hon. Friend the Member for Colchester was quite right to point out that although many such theatres thrive and survive in terms of the audiences they attract, they also receive Government support. Last year, the Arts Council provided more than £150 million to theatres throughout the country through a range of funding programmes. About £100 million of that money went to theatres in the Arts Council's national portfolio, including the Mercury theatre, which, as my hon. Friend pointed out, has recently benefited from a refurbishment of its studio that was partly funded by the Arts Council. I welcome my hon. Friend's remarks about the Chancellor's settlement for the arts. It was great to hear that he is prepared to maintain arts funding and, judging by the

[Mr Vaizey]

response from the artistic community, the words he uttered during the spending review were almost as valuable as the money he has given. He said it is a false economy to cut the arts and recognised the significant contribution that they make to our lives compared with the amount of funding they get.

The Mercury theatre receives more than £750,000 a year in public funding from the Arts Council and, as I said, it has also received a capital grant for its refurbishment. It is a significant local employer and a major driver of the restaurant and hospitality economy in Colchester. I was particularly pleased to see how the Mercury theatre and other artistic organisations in Colchester are now working together, which is perhaps the third theme of the White Paper. Artists, makers and designers are working together under the “Made in Colchester” banner, which is a fantastic idea that should inspire other towns and cities. The artistic organisations in Colchester have worked out that by working together they make a more effective contribution than they do working individually. The Mercury puts theatre at the heart of the cultural life of the community it serves and makes work in Colchester that reaches local audiences and its community while also generating critical attention regionally and nationally.

I congratulate the three theatres that have been nominated for *The Stage*’s regional theatre of the year award: the Royal & Derngate theatre, the Royal Exchange theatre in Manchester and the Chichester Festival theatre, which my hon. Friend the Member for Colchester mentioned. Of course, it was at the Chichester Festival theatre that “Gypsy” started its life. If you have not yet seen Imelda Staunton in “Gypsy”, Mr Evans, I urge you to find one spare evening to see that absolutely stunning show. That theatre is another good example of an organisation funded and supported by the Arts Council, including by its £12 million capital investment programme. Such investments help local theatres to develop resilience by giving them the right buildings and equipment to both deliver their work and become sustainable businesses.

It is important to point out that the regional theatre of the year for 2015, the Nuffield theatre in Southampton, also has strong ties to the local university. It is important that we recognise the contribution that universities make. For example, Derby theatre is supported by its local university. Sheffield Theatres is the only theatre to have won the regional theatre of the year award twice, in 2013 and 2014. It is the UK’s largest regional theatre complex, with 2,500 seats across three theatres, producing incredible theatre in Sheffield. I hope I have shown that there is a rich and diverse theatrical life all across the UK of which we should all be proud. It is also important to note that, as my hon. Friend the Member for Colchester said, touring plays an incredibly important part in the theatre landscape. A lot of great productions start life in our regional theatres, and many of those theatres host great productions that start their life in London. The Arts Council continues to support that work through its strategic touring funding programme, the funding for which has been maintained.

An important and relatively recent innovation is the introduction of theatres tax relief, which has been available at 25% for qualifying touring productions and 20% for

other qualifying productions since September 2014. It encourages theatre production throughout the UK and provides a strong incentive for touring productions. Her Majesty’s Revenue and Customs has worked with UK theatres to undertake a number of workshops throughout the country to discuss the relief and how it operates, and they have been well attended, including by many regional theatres. It is too soon to say precisely in pounds, shillings and pence what contribution theatre tax relief is making to theatre production in this country, but I know anecdotally that many theatre producers are grateful for the tax relief, which is pushing their productions into profit. It is important that occasionally theatre productions do make a profit, because that encourages theatre producers to take the next risk and put on the next production.

I mentioned in my opening remarks that there is a lively debate about the amount of funding that goes into London and to other areas outside London. My hon. Friend the Member for Colchester made that point very effectively in his speech. It is important to say that when we came into office around 60% of lottery funding went outside London. That has now risen to 70%, and the Arts Council has an ambition to go further to reach 75% by the end of 2018. It is also following the same strategy with its national portfolio organisations. In 2012, 49% of funding went to London and 51% went outside London. By 2015, that had changed to 45% in London and 55% outside London, so there is good change there. It is also important to acknowledge the Chancellor’s work with the northern powerhouse, because that gives an indication of how culture is moving into the mainstream of policy. As part of the northern powerhouse strategy, culture has been put front and centre. For example, there has been a £78 million investment in the new Factory theatre and exhibition complex in Manchester.

This year I suspect there will be an ongoing debate about local authority funding for theatre and, indeed, other arts organisations. I reiterate how pleased I am to see so many of my hon. Friends talking about the success of their local theatres and other arts organisations. As I said earlier, they highlight the wide contribution made to local communities beyond simply artistic productions, important though they obviously are. I am very clear that any local authority that sees itself as having to make some Faustian trade-off between investing in one part of its activities and investing in culture is, to echo the Chancellor’s words, making a false economy. Investing in local theatre and arts organisations brings enormous dividends for a relatively small amount of funding compared with a local authority’s overall budget. To see a local theatre or arts organisation close is not simply to see a building close its doors; it potentially cuts off many different communities from the benefits that that organisation brings.

I conclude by thanking my hon. Friend the Member for Colchester for securing this debate. It has been a terrific start to 2016 for me to take part in this Westminster Hall debate, and I will be responding to the first Adjournment debate of 2016 as well. Now that the Chamber is filled with Opposition Members, I repeat my tribute to the former shadow Secretary of State for Culture, Media and Sport, the hon. Member for Barnsley East, who will be sadly missed on the Front Benches because he was effective and passionate. My five hon.

Friends who have participated in this debate show that there are many effective and passionate spokesmen for the arts in the House, and I welcome their remarks.

Question put and agreed to.

Resolved,

That this House has considered regional theatre.

Safer Neighbourhood Policing: London

11.30 am

Ms Karen Buck (Westminster North) (Lab): I beg to move,

That this House has considered Safer Neighbourhood policing in London.

Thank you very much, Mr Evans, for giving me the opportunity to make a contribution on the issue of neighbourhood policing. It is a pleasure to serve under your chairmanship. Those of us who have been in Parliament for some time will remember that we used to have an opportunity every year to discuss policing in London, which is a matter of huge concern to us. We no longer do that, but I am pleased that we have the chance to discuss the issue for the next hour.

When the London safer neighbourhood policing scheme was formally launched in two wards in Brent and north Paddington in my constituency in 2004, it marked a new era in the policing of modern London. It was widely accepted that fundamental changes were needed.

Siobhain McDonagh (Mitcham and Morden) (Lab): I just want to slightly amend what my hon. Friend said. St Helier in Mitcham and Morden was also part of that pilot.

Ms Buck: I hope that does not establish a pattern by which all my hon. Friends seize the opportunity to claim the credit for launching safer neighbourhood policing. In a sense, it does not matter. It was launched in 2004 by the then Labour Mayor of London, and I hope it prefigures important changes in policing by our future Labour Mayor of London, my right hon. Friend the Member for Tooting (Sadiq Khan), who is sitting to my right.

Safer neighbourhood policing was an important response to a flaw in the way that London was policed over a number of years. It was always about more than just resources. Of course, it was partly about policing numbers, which had been falling for many years and were of great concern to Londoners, but it was also about having a different approach and attitude. The most unimportant aspect of it, although it was not wholly insignificant, was the fact that the area-based policing—the closest thing to the neighbourhood model that existed before 2004—was an unwieldy and clunky model of relating to communities. It did not work effectively, in terms of community participation and setting local priorities, and did not give local police continuity so they could establish the relationships they needed.

The safer neighbourhood policing model, which was introduced in 2004, reflected a commitment to return to communities, in all of their geographical, social and ethnic diversity. That commitment was, in part, informed by the experiences of the 1980s and 1990s. It encompassed, at the extremes, the important lessons we learned from the Scarman report on the terrible riots at the beginning of the 1980s and the Macpherson report. The Met learned important lessons from those terrible events, too.

Safer neighbourhood policing teams quickly changed the face of London policing. Indeed, they even helped to change the face of the police themselves. The police community support officer role was an important route

[Ms Buck]

for recruiting Londoners. One of the concerns that some of my colleagues will always have is that many of London's police are drawn from outside London for different economic reasons. We want London's police to reflect the face of modern London. The safer neighbourhood team route and the PCSOs, which were a part of that model, were a means of doing that. As Lord Stevens recognised at the time, they helped us to change the face of policing. It was obvious; when we, as local politicians, began to develop relationships with our police, we saw that changes were taking place.

The other critical issue about safer neighbourhood police teams in the early years was the commitment to a core team. At that point, they used the 1-2-3 model, comprising the sergeant, the constables and the three PCSOs. There was a commitment not to remove members of safer neighbourhood police teams to provide aid and assistance to other activities, but to provide the continuity that is crucial in keeping them connected to their local communities and give them time and space to develop important relationships with residents' and tenants' organisations, local schools, mosques, churches and youth clubs. In addition to a dedicated sergeant in each ward, they had someone with the skills and experience necessary to make those relationships work. The mere fact of being a sergeant does not give a person the ability to do that, but reflecting a degree of seniority within those police teams is important and it says something significant about the way in which relationships are built and sustained in communities.

I can think of several individuals—I am sure my colleagues and other hon. Members have faces that they can call to mind—who demonstrated a real change in policing style at the neighbourhood level. Stuart Marshall was the Queen's Park sergeant for many years. He ultimately transferred to use the skills and knowledge he built up in the Queen's Park ward—a deprived ward that includes the Mozart estate, which is a very challenging community—to continue to tackle antisocial behaviour with City West Homes. Ken Taylor built up a superb track record in the middle of the last decade in countering crack houses, which had become a plague in parts of London and required a new model of relationship building so the police could act quickly and close them down.

Ian Rowing was a long-term sergeant in Church Street. Only a few months ago—he had been in post since 2004—residents fought to keep him in Church Street because of the excellent relationships and local knowledge that he had built up. The residents said to me, "There is nothing he doesn't know. There are no people he doesn't know. He knows every corner of his ward. He knows what is going on, and he has built up a trusting relationship with people." He was taken off, against all our wishes and advice, to fill some of the yawning gaps in the custody service, which are a huge challenge for London police at the moment.

Lawrence Knight is still serving Maida Vale and Little Venice brilliantly. Paul Reading, a member of his team, runs a boxing club in Little Venice. Anybody who wants to see the face of top-quality community policing should see the work he does. Over time, he has worked with hundreds of sometimes very challenging young men in that corner of London, and he has built up an

enormous number of relationships based on trust and knowledge. Some of the newer people working now—I am not able to mention them all—include Sean Marshall, Ian Armstrong, Jason Emmett, John Marshall and Mohammed Nouri. They are relatively new, but their work has been absolutely superb.

But the model has changed, and I want to spend a few minutes talking about that. The continuity of the relationships that were built up and of the police teams themselves has largely evaporated. Under this mayoralty, since 2008 the Met has lost 23% of dedicated neighbourhood uniformed officers in London boroughs and more than 2,400 PCSOs since 2010 alone, and it has closed 63 police stations—we were told that their closure would lead to a huge reinvestment in community policing—due to the £600 million of budget cuts over the past four years.

Mark Field (Cities of London and Westminster) (Con): The hon. Lady and I have worked together in Westminster during the time that we have been Members of Parliament, and I accept much of what she said about the importance of neighbourhood policing. Equally, we are clearly under financial constraints. No one can deny that that is part and parcel of what is driving the change. Does she accept that we have a model that has been in place now for more than a decade? London is changing quickly, although the City of Westminster is probably changing less quickly than many outer suburbs. Is there not a risk that if we simply persist with that model without looking for a model for the next decade or so, we will run into the problems of the past and have a model that is not fit for purpose for London in the 21st century?

Ms Buck: It would be foolish to argue for no change ever, and I am not doing so. Services have to change and adapt, and a number of different trends are going on in London. Our population is rising sharply, which has to be taken into account. Churn and turnover are also rising sharply, which reinforces the importance of community policing. Yes, of course we need to revise our model constantly, but, as I will describe, the changes to the local policing model were an error and took us completely in the wrong direction. Change, yes—but change for its own sake that undermines the core elements of community and relationship building, which is integral to neighbourhood policing, is a mistake.

I of course unreservedly welcome the fact that the autumn statement lifted the threat of a further £800 million-worth of cuts to the Met police, in particular to the remaining police community support officers. The Chancellor was right to heed the warnings of the devastation that cuts of that scale would wreak, but it would be completely wrong to say that we are now in the sunlit uplands. The settlement remains tight. Commissioner Hogan-Howe told the Greater London Authority police and crime committee last month that

"whatever we are going to have to cope with"

will be better than what was originally feared. He continued:

"There is no doubt that we still do have pressures. We have this £50 million for National Insurance that the organisation will have to find for pensions. We have a 1% pay increase baked into the budget... There is a series of other things. It is, no doubt, still challenging."

On the threat of changes to the funding formula—the complete dog's breakfast that we saw before Christmas—he said:

“That threat has not gone away because they said they will review it over the next 12 months and so we, on behalf of London, need to keep our eyes on that because London is unique.”

He also highlighted concern about the national and international capital city grant and said that

“we have a bid in. We normally get around £165 million. We thought that it is actually underpaid by about £200 million. We say that we paid £340 million on national issues that are relevant to the capital. They”—

the Home Office—

“accepted the case for £270 million.”

The Met in fact received £170 million. There is a continuing shortfall in national and international capital city status, which is highly relevant, because that underfunding leads to the undermining of the ward-based neighbourhood policing that is my concern.

We know that we remain under pressure and that budget cuts have had a serious impact on police numbers, which has been further complicated by the introduction of the local policing model and the redefinition of neighbourhood policing. However, we hear—we have heard it from the Mayor of London and will probably hear it from the Minister today—that neighbourhood policing in London has increased exponentially, not decreased. The Mayor has claimed that London has 2,600 additional neighbourhood officers, but that is a piece of sophistry. It is a definitional change that conceals a decrease of 2,500 dedicated borough officers and 3,200 dedicated borough PCSOs since 2010, reducing the ward teams from the 1-2-3 model to just one constable and one dedicated PCSO, and an increase in duties for the remaining neighbourhood teams.

Mark Field: I thank the hon. Lady for giving way. It is only fair given that the Mayor of London is not here to defend his record. She said that we claim to be increasing police numbers, but the sense was that we were going to redeploy those 2,600 into neighbourhood teams with a localised remit. I accept that that was a change from the remit that was introduced in 2004, but no one was suggesting for one minute that there would be additional police. It was a matter of redeploying police into neighbourhood teams.

Ms Buck: As I will briefly refer to at the end, we have seen a redeployment of officers within a reduced total and rebadging, which has led to confusion and a dilution of what neighbourhood policing was originally about.

The Mayor's Office for Policing and Crime's review of the local policing model stated last summer:

“Neighbourhood policing under the LPM is distinctly different to the previous ward based 1:2:3 delivery model which was identical across all London wards”.

The previous model's critical defining element was a core service common to all London wards that could be enhanced or supplemented. Despite the uplift of officers into neighbourhood policing, as referred to by my neighbour, the right hon. Member for Cities of London and Westminster (Mark Field), the move to a single dedicated ward officer with a single dedicated ward PCSO represents a 77% reduction in ward-based neighbourhood policing when compared to the 1-2-3 model. In my

borough of Westminster, we went from a total full-time-equivalent police strength of 1,632 in 2010 to 1,661 in 2012—there were changes in 2011 that meant that 2012 was a better base year—and then down to 1,327 in June 2015. The redistribution under the new service has led to a dramatic drop in our total police strength, which has led to the reduction in neighbourhood policing I have mentioned.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): If I am lucky enough to catch your eye, Mr Evans, I hope to dwell on another aspect of neighbourhood policing that I hope my hon. Friend will comment on with concern, namely that the Met proposes to pilot the merger of borough commands, in particular Brent, Harrow and Barnet, about which my constituents will be particularly concerned.

Ms Buck: I hope that my hon. Friend is able to catch your eye, Mr Evans, and to develop that theme, because it is a real concern. I suspect that he will also want to discuss the theme of leadership that I am developing. Borough leadership is important, but neighbourhood leadership, which was defined for neighbourhood policing team purposes as being ward-based, is also important. Relationships do not happen by themselves; they happen because people in leadership roles are equipped and skilled to build them.

We have already seen a dramatic reduction in police numbers. Underneath that and within a reduced total, we then saw a reclassification of what a neighbourhood police officer is. We have also seen a fundamental dilution of the original model of ward-based safer neighbourhood policing. The combined impact of that led the MOPAC review of the local policing model to conclude that the “visibility of officers within neighbourhoods remains an issue raised by communities and key stakeholders”.

Well, it can say that again. As Commissioner Hogan-Howe told the GLA:

“The irony was...that we put more officers into neighbourhoods but people saw fewer people dedicated to their area.”

That is central to the point, and it happened because additional duties were given to safer neighbourhood police officers under the LPM. The MOPAC review states:

“Although the LPM has allocated... additional police officers to”—

the new definition of—

“Neighbourhood Policing, with a greater ability to flex resources, to realise the crime and ASB reduction, and respond effectively to community concerns, it has at the same time allocated additional functionality previously undertaken elsewhere.”

The review continues:

“There are a number of functions within the neighbourhood policing strand of the LPM which are required but which impact on the opportunities for officers to be visible within the...MPS Neighbourhoods.”

Those functions included the investigation of neighbourhood crime, appointment cars, e-graded calls, hospital guards, crime scene management, custody constant watches, and aid, all of which were not previously undertaken by neighbourhood police teams.

Since that initial review was carried out, I am aware that some areas of additional functionality have been moved back to response teams, which has had a marginal impact, but additional functionality still remains a problem.

[Ms Buck]

We need only to talk, as I am sure all my hon. Friends here are doing, to local police teams to hear why they are unable to undertake the visibility policing or the relationship building and community work that they used to do. It is because they have additional policing duties to undertake.

The other critical change that took place under the LPM was to aid. One of the most important strengths of the SNT model was its ring-fencing, but the abstraction of staff from neighbourhood teams to other duties is now a constant element. According to MOPAC, neighbourhood officers undertook some 102,000 hours of aid over the 12-month period prior to the review. Assembly Member Andrew Dismore, the former Member for Hendon, obtained figures for the two boroughs that he represents. In just three months over last summer, Camden lost a total of 1,293 officer shifts to other boroughs, averaging 99 shifts a week, and Barnet lost a total of 951 officer shifts, averaging 73 shifts a week. I can also speak from local experience: I will not name the ward because I do not want to get the officers in trouble, but when trying to solve neighbourhood problems and talking to the police about dedicating some resources to help, I have been told:

“No joy this weekend as I was on my own. I had planned to be with 3 other PCs but they got put on AID at short notice.”

That is a regular refrain. Problem-solving work is often taken away.

James Berry (Kingston and Surbiton) (Con): Is the hon. Lady aware that the National Audit Office has produced a report highlighting that several police forces are not actually aware of the demand on their service and that replicating a model across every ward in London may not be the best way to carry out policing? It also states that if a local authority wants to continue with the model to which she refers, they are able to purchase extra police officers from the Mayor of London and avail themselves of the buy-one-get-one-free offer, which we have done in Kingston town centre to tackle crime and antisocial behaviour.

Ms Buck: I have a terribly old-fashioned attitude: the police should police and the local authorities should run libraries and children's and other such services. I am struck by the fact that a few weeks ago in Westminster the leader of the council said at a staff conference that the local authority was on the path of having its total funding reduced from £390 million to £90 million over the course of the two spending review periods, so I am afraid that it is facile to say that the local authorities, which are being slashed to ribbons, are the ones to take on additional policing roles.

Aid has increased and the continuity of relationships built up by neighbourhood policing teams has been undermined. The impact, according to the MOPAC review, has been that public awareness of police visibility in London has faltered; the neighbourhood confidence comparator shows that over the previous year, on average, it has reduced from an already low 53% to 51%. MOPAC challenged the Met to increase public confidence in the police by 20%, but levels remain broadly unchanged from the March 2012 baseline. The Mayor also set a target for public confidence in the police of 75%, but it

is 67%. A review into safer neighbourhood boards by the London Assembly police and crime committee received evidence from those SNBs that some police safer neighbourhood ward panels were meeting infrequently or not at all, so the community relationship was not being sustained even simply because the police were unable to find the resources to continue their work. I have found, as I am sure colleagues have, that concerns have bubbled up in the neighbourhoods about the kind of problem-solving work that safer neighbourhood police were so good at doing.

I want to make a few remarks about three particular areas that reflect our priorities at the moment, the first being counter-terrorism. In particular since Paris, we are acutely aware of the critical importance of counter-terrorism work. We should all pay tribute, as I do in heartfelt manner, to the work of the intelligence and security services in keeping us safe. In that context too, however, the local knowledge and relationships built up by neighbourhood policing are absolutely irreplaceable. I can state with certainty that the local officers I know knew exactly who the families and where the areas to focus on were. Such officers were a source of information on and of trust in the police in the community, vital not only to help counter-terrorism work, but in reassurance and community confidence building. Immediately after Paris we, the police teams and the local authority were called together by our excellent borough commander in Westminster, Peter Ayling, to talk about exactly that—higher visibility for our neighbourhood police teams in London in order to reassure our communities.

The second area is hate crime, of which sadly there is soaring incidence in the aftermath of Paris. It has also increased over the course of the past two years, notably anti-Semitic hate crime given a couple of flashpoints, as well as the spike in Islamophobia after Paris. Again, the relationships built by our neighbourhood police with our mosques, churches and synagogues are irreplaceable. Such efforts need to be well led.

The third area is serious youth violence: last year 19 teenagers were killed, which sadly is a dramatic increase on the figure for 2014 and the highest figure for seven years. According to Scotland Yard, nearly 20% of all murders in London now have gang associations. Trident, as with our security services, is a critical specialist service, but I can also state from personal experience that the knowledge built up by my safer neighbourhood team sergeants on gang membership or the risk of that is totally irreplaceable, as are their relationships and their work on the ground, often directly with troubled young individuals. If we are to make serious progress in tackling serious youth violence and gang violence, we have to review urgently what has been done to our local teams.

I am delighted to see that others are present to speak. In conclusion, I want to reinforce the fact that our model of safer neighbourhood policing is not now what it was originally envisaged to be. It was always intended to be at the core of policing. I had a number of enhanced teams in my most deprived areas, I am pleased to say, but the model was never only about total resource, but about leadership—for community relationship building, networking, developing local knowledge and providing continuity. That has been diluted, the model has been changed and we have lost the previous safer neighbourhood model. I am relieved that we do not face further cuts to

or the loss of our PCSOs, but I hope that the local commander, MOPAC and the Minister will hear a plea from the Opposition: we need to return to the core of a ward-based and, ideally, sergeant-led neighbourhood police team to restore public confidence in community policing, which was so valuable and hard won and is in danger of being lost.

Mr Nigel Evans (in the Chair): The Front Benchers will be called at 12.40 pm, which leaves roughly 45 minutes for the debate. If everyone shows time restraint, everyone will be able to speak.

11.55 am

Sadiq Khan (Tooting) (Lab): I pay tribute to my hon. Friend the Member for Westminster North (Ms Buck) for securing the debate and for her excellent speech to kick things off. She is a tenacious and passionate campaigner on behalf of her constituents. In this debate on safer neighbourhood policing in London she has clearly shown that she understands the big issues facing not only her constituents, but our citizens. It is great to see so many London colleagues present for this important debate.

I also pay tribute and put on the record my gratitude to all police and police community support officers, and to all who work for the Metropolitan police. They work day in, day out to protect us and to keep us as safe as possible, preventing crime, detecting those responsible for crime, playing a huge role in maintaining the rule of law and due process, and helping us to feel safer.

There is no point beating about the bush: the very future of safer neighbourhood policing in London as we know it is under threat. As has been said, one of the legacies of Ken Livingstone's time as Mayor of London was the creation of dedicated community policing teams. I know from my own constituency just how successful and popular safer neighbourhood teams in London were and are. In some of the wards in and around my constituency, there were teams of at least one sergeant, two police officers and three PCSOs. As a resident, a ward councillor and a Member of Parliament, I saw at first hand their work to build community relations. They knew shopkeepers, vicars, priests, imams, neighbourhood watch co-ordinators, resident association members, head teachers and youth leaders. They actually spoke to and engaged with youngsters and made an effort to build relations with parts of our diverse communities that previously had no relations with the police.

The teams' networks gave them a unique insight into what was happening on the ground and in their patch—proper, old-fashioned community policing: bobbies back on the beat, some would say, not only providing reassurance to the community, but acting as the eyes and ears for gathering intelligence, preventing crimes from happening and clearing them up when they did. That is what policing by consent is all about.

Over recent years, however, safer neighbourhood policing has been devastated in London. While we have had a Conservative Mayor and a Conservative Prime Minister, the number of officers has been steadily eroded. Since May 2010, the number of PCSOs in London has dropped by up to three quarters, with some boroughs—Brent, Ealing, Hammersmith and Fulham, Lambeth, Wandsworth and Westminster—seeing falls of 80% or more. I have with me some of the figures, which cover the period

between May 2010 and September 2015. Hackney has lost 69% of its PCSOs and 29% of its uniformed officers; Harrow, 75% of its PCSOs and 24% of its uniformed officers; Hounslow, 75% of its PCSOs and 11% of its uniformed officers; Kingston—I am sorry that the hon. Member for Kingston and Surbiton (James Berry), whose borough this is, has left the Chamber—75% of its PCSOs and 19% of uniformed officers; and Lambeth, 80% of its PCSOs and 32% of its uniformed officers. Across the whole Metropolitan Police Service, 62% of PCSOs and 11% of uniformed officers have been lost. In some areas, there is one officer left, or at best two. There is no longer the same dedicated team for geographical areas as there once was.

Although crime has been broadly falling over the past decade and a half, too many areas of London are still blighted by antisocial behaviour. Violent crime is up across the city and, worryingly, knife crime is on the rise again.

Mark Field: The right hon. Gentleman will recognise that the broader metric of crime is down. Does that not suggest, to a large extent, that, given the financial constraints that any Mayor or Government would have been under in recent years, the Metropolitan police has done a pretty good job of utilising diminishing resources to ensure that people are kept as safe as possible? While I very much accept some of the concerns about the breakdown of the neighbourhood model to which he refers and the importance of integrating with other agencies, broadly there is a good case for saying that, given those financial constraints, we have done a pretty good job, although we should not be complacent about the future.

Sadiq Khan: The police service does a fantastic job under very difficult circumstances. However, internet crime is going through the roof, along with serious youth violent crime, knife crime, knife crime with injury, gun crime and gun crime with firearm discharge. I pay tribute to the remarkable work done by police officers and CSOs.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): The right hon. Gentleman is generous in giving way. I pay tribute, as I will in my speech, to all the officers in England and Wales who I represent, and to those in London in particular for this debate. When we look at levels of crime, we see that internet crime and cybercrime was not recorded before, so we do not know what the levels were. We know that it is a major issue, but the previous Government did not record it. We are now recording it, so that we will have better knowledge of what is happening and can put resources in the right place. However, I want to put on the record that while he said—I think understandably—that internet crime is going up, actually we did not record it, nor did the Government of whom he was a Minister.

Sadiq Khan: I am sure we all accept that technology is advancing and that evolution is a wonderful thing. I repeat the point that I pay tribute to officers, who do a remarkable job under difficult circumstances. However, the Mayor of London—he and the Policing Minister must accept this—aided and abetted by the Government, has filleted safer neighbourhood policing. We have heard some of the results of that in today's debate, and we will hear more of that in Labour Members' speeches.

[Sadiq Khan]

I want to add two further thoughts into the debate. First, there has been a debate over a number of years about stop and search and the impact it has on keeping the city safe. I am one of those who believe that, historically, it has been overused and done so in too much of an arbitrary fashion, so that certain communities have seen strained relations with the police. Someone is unlikely to come forward tomorrow and provide invaluable information or give evidence that can help with a prosecution if yesterday they or a family member were wrongly stopped and searched, and treated discourteously or badly by the police.

Let me be clear: intelligence-led stop and search plays a crucial role in keeping Londoners safe. We should all be worried about the rise in knife crime over recent months. The deaths of teenagers because of knives deeply alarms me not simply as a Member of Parliament and a citizen of this city, but as a father of two teenage girls. However, we will not be able to pursue an intelligence-led approach to stop and search if we lose safer neighbourhood policing, because that provides the police with the intelligence they need to inform stop-and-search activities. Without safer neighbourhood policing feeding into police intelligence, stop and search risks becoming a blind and arbitrary action, with a resultant negative impact on community relations that would damage all of London.

Secondly, the horrific attacks in Paris were a wake-up call to all of us. It could so easily have been London. If we are to prevent a repeat of the Paris terrorist attacks here in London, we must always be vigilant and make the most of all the resources at our disposal. High level, technologically-led intelligence operations have a role to play. Our security agencies, who do such a sterling job, have considerable pressure on them to keep us safe, but community policing should never be dismissed.

Sir Bernard Hogan-Howe, the Metropolitan Police Commissioner, has pointed out that intelligence that leads to the investigation of people who may be responsible for acts of extremism or terrorism increasingly comes from people reporting suspicious behaviour to—guess who? To local neighbourhood police officers and PCSOs, who they know and trust. The hollowing out of neighbourhood policing is putting those relationships and that intelligence-gathering capacity at risk. If we weaken safer neighbourhood policing, we weaken our protection against terrorism.

I would like to end as I began by thanking London's police. They do a remarkable job in terribly pressured circumstances, which is not helped, I am afraid, by the deep cuts inflicted on them by the Government and the current Mayor of London. Safer neighbourhood policing has been hit particularly hard. To lose that crucial community-facing aspect of London's policing would be a terrible mistake. It is important that those of us who understand the importance of policing by consent for crime prevention unite to stop a further hollowing out across London.

Several hon. Members *rose*—

Mr Nigel Evans (in the Chair): Six people are indicating that they wish to speak and we have just under 35 minutes for them, so if they keep to just under six minutes, everyone will get in.

12.6 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Evans. I warmly congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing this vital debate. She clearly outlined why safer neighbourhood teams work, so I will not delay the Chamber by repeating that. I will just add that I fully endorse it. In my borough of Hackney, it was transformational in building relationships in the community. The community relations with the police were a byword for bad relations around the time that I was elected to the London Assembly. It was only with the installation of ingrained neighbourhood policing that we began to see a change. People felt that they were working with the police, rather than feeling that they and the police were on opposite sides.

It is important to remember that the police police us by consent and, for that to work properly, they need to know their community in a granular way and people need to know their police officers. As others have, I could highlight many local examples of times when people have passed on intelligence to the police, but I will give just one example. When I was out knocking on doors for one of my regular weekend surgeries, in two households in a row I spoke to parents who did not want to speak to the police or for me to report something, because they were afraid that an officer in uniform appearing on their doorstep could mean their teenage child being targeted by gangs. If they want to report something as simple as drug dealing going on in their area—simple in that it is easy to identify and relatively easy to police—I can act as a third-party reporting mechanism, but so can neighbourhood police teams, many of whom go around out of hours, not in uniform, to talk to people or find safe places for people to talk to them.

Along with other London colleagues, I recently met with the Metropolitan Police Commissioner, Sir Bernard Hogan-Howe, and we raised some of our concerns about this topic. He understandably raised competing challenges and his challenge with the budget, as my hon. Friend highlighted in detail, and he reminded us that much of modern policing is not visible. Of course, dealing with historic child exploitation or cybercrime is important to our constituents, but it is important that we see police on the street and that they build relations with their community.

The hidden policing—the stuff that is not seen—should not take away from the vital community policing that we know works. The improvements in Hackney underline the importance of that regular, steady relationship. Every year there is a commendation ceremony from the borough commander, where we hear stories of the deep community engagement that others have highlighted.

We should be clear that, in political terms, this is an ideological battleground. The Government want to shrink the state and they hide that under the veil of austerity. We all want to see taxpayers' money spent wisely, because every pound saved is a pound to spend on something else or to provide benefits to our constituents, but there is a point at which shrinking the state so far, under the guise of austerity, goes too far. I believe it has gone too far in the realms of neighbourhood policing. This is in an area where the public want the state to be present.

Mark Field: The hon. Lady and I agree on many things, and we have worked together as neighbouring MPs on broadband and the like, but it really is nonsense to suggest that the Government are trying to shrink the state to any great extent. We are still living miles beyond our means—we are borrowing at the rate of £75 billion to £80 billion a year—and the notion that the Government have taken a slash-and-burn approach is quite wrong. I accept that, with some of the austerity agenda, there has had to be some reduction in public spending, particularly in the area we are discussing, but the notion that this is a state-shrinking Government is very far from the truth.

Meg Hillier: I think my constituents would beg to differ: this is an area where they do want to see the state visible and active on the streets.

Over the past five years in Hackney, crime has continued to drop. However, Hackney has lost 173, or more than a fifth, of its police officers—in October 2010, it had 770, but there are now 597. It has also seen a dramatic cut in PCSOs, from 100 to 37. There were recently plans to axe all our PCSOs, but thankfully those have been dropped. I echo the really important point made by my hon. Friend the Member for Westminster North that safer neighbourhood policing was a vital recruitment line for the police—the police in Hackney still do not look like Hackney, so that was really important. It is important that our overstretched officers are supported by good PCSOs.

Let me just highlight how our officers are overstretched. For more than a decade, Operation Bantam has provided an effective response to gang violence in Hackney, which is sadly still a scourge and a challenge for the police, the community and local authorities. There used to be a team of 40 dedicated officers; now there are six, and that is a real concern. I back Hackney Council's campaign to bring 100 officers back to Hackney to make sure we deliver for the people of my constituency and my borough.

PCSOs were introduced under the last Labour Mayor of London, and I look forward to having a future Labour Mayor of London who recognises their importance. Previously, seven different uniformed officers and wardens patrolled my constituency. Many were funded by the Home Office or the Department for Communities and Local Government, while some were funded by the police or local authorities. There was a crazy mishmash—a multi-coloured rainbow—of different uniforms and different powers, and it made sense to bring those officers together. As a result, however, they were then at risk from these cuts and changes, because of the other pressures on the policing budget, and that is a regret.

There are two key benefits from safer neighbourhood policing. First, there are people on the streets, and having more PCSOs on the streets saves vital police officer time. Those three PCSOs in the ward also really got to know their area, and they often stayed longer than the police, unless they planned to become police officers themselves.

The hon. Member for Kingston and Surbiton (James Berry) mentioned the National Audit Office report on policing, which the Public Accounts Committee has looked at. We visited and had evidence from forces around the country. The hon. Gentleman rightly said that many forces do not have good enough data to

know the impact of the cuts coming down the line or the needs of policing locally. What is really crucial and really unforgivable, however, is that when the Home Office makes a cut and sends it down the line to the police, it does not have the data to know what the impact will be. I would like the Minister to address that directly.

The funding formula is one issue, and we do not need to dwell on what a mess it was; that is now fairly well acknowledged, and I am sure my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), who speaks from the Front Bench, will touch on that. However, there is also cost shunting, which is a consistent concern on the Public Accounts Committee. We see police officers, as the providers of first and last resort, picking up the pieces for other services, but that is not recognised in the funding formula or in cross-Government working. It is really important—I challenge the Police Minister on this—that the police service should not be picking up the pieces because Departments have cut funding and do not recognise the impact on the police. I would like the Minister to tell the House how he will challenge that.

Mike Penning: If the hon. Lady had heard any of the speeches I have made in the House or outside it, she would know that that is exactly what I have been saying since I have been the Police Minister. All too often, the police are the first port of call, rather than the last port of call, for other services, which is fundamentally wrong.

Meg Hillier: Well, I hope the Minister actually has the power in Whitehall to bang heads together and to get this sorted. We will continue to see problems in London if its policing budget is squeezed because the police are having to pick up ambulance calls and to deal with mental health issues—for example, by tracking down mental health beds at weekends. There is a long litany of such issues. The Minister speaks the words, but if he could talk in more detail in his response about what he is actually going to do about this, that would be very helpful.

12.14 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): As with clothes and interior design, there are fashions in policing, and we are seeing a backlash against the current fashion. What is happening is not just about money, although money may be the principal cause, but about the fact that some in policing circles simply did not believe in the community policing model—the one sergeant, two PCs and three PCSOs model—as set out by Ken Livingstone when he was Mayor and by a number of Labour Home Secretaries, because it “depoliced” the police. However, it actually enhanced what the police could do, particularly in areas that are more financially challenged and that have more people who are excluded. We began to witness more people willing to talk to the police than ever before.

With those increasing police numbers came more police bases. There is a huge issue about the enormous waste of money that has resulted from closing local offices that were opened in order to place safer neighbourhood teams at the heart of their community. In my constituency, Mitcham and Morden, we have seen the closure of the Lavender Fields and Graveney

[Siobhain McDonagh]

team office in Wilson Avenue, which must have taken thousands of pounds to open to standards that the Metropolitan police accept.

Pollards Hill is a ward right on the outskirts of Mitcham and Morden, bordering Croydon and Lambeth. People there feel out on a limb and excluded from their local area, and the police office there showed a real investment in their community. People felt that the police were close to them and dealing with the problems they face. I am sad to say that some of those problems relate to gangs and stabbings. We do not have the same level of such problems as other hon. Members will in their constituencies, but the fact that that office is no longer there for people to turn to when issues arise is a real problem for that community. Again, there is the issue of the costs involved in opening these offices and then closing them, leaving memorials to a police system that worked a great deal better than it does currently. That is really sad.

There is an idea that we can point to crime figures and say, "Crime is down, so it's okay." However, if we consider confidence in policing, and we look at the figures for the fear of crime in my borough of Merton, we see that about two thirds of people now fear crime, when the figure was once the lowest in London. Mitcham has 41% of the crimes that take place in the borough, but 68% of people fear crime—the fact that people can no longer see their police officers has tripled the numbers.

When there was a stabbing in Pollards Hill, where would people go? They would go first to the police officer or the PCSO at the local high school. We can be pretty sure that within hours those officers would have had a very good idea of how the incident came about and who was involved. That would then allow the police response teams—Trident or whoever—to go into action and to deal with the issue.

When we have our police meetings, some in the police—I suppose this is out of frustration at their situation—tell residents, "You don't have a crime problem here. Crime is not high. You live in one of the safest boroughs in London." That really does not wash if someone has seen a young man stabbed outside their kitchen window. Although people can absolutely rationalise that that would never happen to them as a middle-aged woman, an older dad or a young child, they have seen it happening in their neighbourhood and they want it dealt with. Their fear is for themselves, their children and their neighbourhood. When they know that the police office that used to be open behind their homes is no longer there, there is a real and severe feeling that, given the level of policing in their area, the possibility of dealing with these issues becomes less.

When we combine that with local authority cuts in youth services, we get a maelstrom. In Pollards Hill, in Merton, we do not have a huge youth service. The Pollards Hill youth centre was due to close in April this year. Luckily, we brought people together to build an alliance to keep it open. However, I suspect that, in areas more challenged than mine, a combination of police cuts, youth service cuts and the inability of services to take young people away from crime will create a legacy that will be with us for a long time. That will not save any more money, and it will cause far more challenges for many more vulnerable people.

12.19 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): I want to focus on the possible merger of borough commands in Harrow, Brent and Barnet and to set out my fears for Harrow under such a plan. I pay tribute to my hon. Friend the Member for Westminster North (Ms Buck) and to my right hon. Friend the Member for Tooting (Sadiq Khan) for their wide-ranging analyses, but I hope you will forgive me, Mr Evans, if I am ferociously parochial in setting out my fears about what the pilot merger might mean for my constituents.

I have no reason to dislike the people of Barnet or Brent, and a merger may seem sensible—for example to those who think that reducing the number of chiefs would mean more resources to be allocated to the front line. I fear, however, that it is the thin end of the wedge. Barnet and Brent are very different from Harrow in policing terms and have higher crime rates. Brent has many of the characteristics of an inner London borough, as well as responsibility for Wembley stadium and all the major events that take place there, and those things give rise to complexities in policing. Harrow is an outer London borough and already many of its police officers are allocated shifts in other places to help to deal with rising crime—sometimes in inner London, as my right hon. Friend the Member for Tooting mentioned; they may also help with the policing of major events, as needed. I fear that if the merger happens a new tri-borough commander will be greatly tempted to shift the police on occasion into Barnet, and certainly into Brent, to help with their policing challenges.

It is difficult to see how the borough commander under the new tri-borough arrangement could continue to be based in Harrow rather than Brent or Barnet. I am relatively pessimistic about the prospect because, given the operational challenges in Brent in comparison with those of Harrow and Barnet, logic would base the new borough commander for the three boroughs in Brent. Clearly, there would also be a case for Barnet, given that many people arrested in Harrow are already transferred to its new and more modern policing complex in Colindale. The temptation would be for CID resources to be shifted to where the tri-borough police commander would be based. Operational challenges in Brent and the modern police station with its better cells complex in Colindale suggest, on the face of it, that a tri-borough commander would be unlikely to be based in Harrow.

Inevitably, resources shift over time to where the commander of a team is based. One of the first pressures will inevitably involve the shifting of CID resources to help to bring the teams together. One can see a logic to that, but I fear that the CID offices would be taken out of Harrow and that complex policing work to detect the perpetrators of crimes might not be immediately available in Harrow as it is at the moment.

Perhaps the biggest immediate concern, however, would be the loss of a visible experienced and accountable borough commander for Harrow. My hon. Friend the Member for Westminster North rightly focused on the requirements of neighbourhood policing at ward level, and issues such as the need for a dedicated sergeant, police constables and police community support officers at ward level; but there is also a need for a dedicated, experienced and highly trained police officer, who has the confidence of the chief constable, to run the police force in each borough. That officer needs to be someone

of the calibre to engage with other stakeholders such as council officials, NHS workers and leading community representatives. I fear that if the borough loses a very experienced officer who can engage with Members of Parliament and senior councillors and direct resources quickly when alerted to problems, there will be a slowing down in the tackling of crime and antisocial behaviour. I pay tribute to recent borough commanders on my patch who, when I have gone to see them about particular crimes, have quickly grasped their significance and have diverted time to looking into them and responding more appropriately.

I worry that, in the long term, basing the borough commander for Harrow in Brent or Barnet will call into question the future of the police station in south Harrow, which serves the whole borough. It is not fit for purpose now and it needs investment; but I fear that with a borough commander based elsewhere that would not happen.

12.26 pm

Ruth Cadbury (Brentford and Isleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Evans. I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing the debate and I congratulate my right hon. and hon. Friends on the excellent points that they have made in the debate.

Just before Christmas a pig's head was left on a pavement in Hounslow alongside anti-Muslim graffiti. Among the first people on the scene were PCSOs who work on that beat. They saw the graffiti and could speak to local people, report the incident, give reassurance and act as liaison. They could act as the first point of call, to reduce community tension at a time when, as we know, such tension is heightened in parts of London. Police driving past in a car would not have seen the graffiti and might not even have seen the head. That is just one example of the importance of PCSOs and neighbourhood policing in London, and of why they need to be protected.

In Hounslow there has been an increase in the number of full-time equivalent police officers, although I think that clarification is needed with respect to the total number of officers and PCSOs and full-time equivalents. The number has gone up by 16 to 556 since March 2010—a small increase. In the same time, as my right hon. Friend the Member for Tooting (Sadiq Khan) has said, the number of PCSOs in Hounslow dropped from 109 to 23 by November. There are now fewer than one per ward.

I have spent 25 years as a ward councillor, have been a deputy leader and cabinet member, and have served on my local ward panel, and I have seen the benefit of neighbourhood policing to my community and borough at grassroots and neighbourhood level. As has been outlined, safer neighbourhood teams are in regular touch with councillors, young people, headteachers, voluntary and community organisations and key people in all the main local public and community services. I am told that the police and PCSOs in Hounslow do not feel confident that neighbourhood policing has a future in London, despite the good words of the commissioner late last year. The drive towards car and computer-based policing means fewer links between the police and the community and less of the benefit that they bring in

reducing tensions and improving community safety, and in counter-terrorism. PCSOs are the conduit between the police bureaucracy, the local authority and public services and local residents.

Londoners have built confidence in the police since the implementation of neighbourhood policing. None of us wants to go back to how it was before. I do not want policing to go back to the situation I experienced in my early years as a councillor, when it was impossible to get in touch with the police. There was no engagement on local issues and no consistent engagement; it was only as and when, as a reaction to an incident. There were no long-term links with community organisations and little understanding of local issues, local tensions and local people. I do not want to go back to that position, which is why I congratulate my hon. Friend the Member for Westminster North on securing this debate.

12.30 pm

Dr Rupa Huq (Ealing Central and Acton) (Lab): First, I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing this important debate. It is an honour to be sat next to the next Mayor of London, my right hon. Friend the Member for Tooting (Sadiq Khan).

We know now that there are no immediate cuts to police budgets. Last time we debated this subject, there were worries about potential cuts of £800,000 to £1 billion. We now know that those will not happen, but there are worries among people on my patch that the devil is in the detail. I have some questions for the Minister about possible attempts to reshape London's police force by stealth.

Members have already said that the safer neighbourhood team model was a great achievement of the previous Labour Government, welcomed by communities at the time. We also heard about the 1-2-3 model, so I will not go into that again. As far as I understand it, the headline announcement of no immediate cuts was against a background of £600 million of savings—that euphemistic term—already made between 2010 and this year. We have heard how London as a whole has lost 3,170 dedicated neighbourhood PCSOs since 2010, which is a 70% cut. What is the shape of the police to come?

In Ealing, we have gone from a ward-based model to clusters. There are brilliant, dedicated people such as Graham Durn from Acton, James Lenton from the Ealing Common and Northfields ward, where there has been a merging of wards, and James Bister from the Acton cluster. However, there is a worry, and I want to echo some of what my hon. Friend the Member for Harrow West (Mr Thomas) said. I actually have some good news about crime reduction in Ealing, where levels have been some of the best. Last time we debated this subject, we were worried we could lose PCSOs and police stations and that police office numbers could be cut. My worry, however, is that the borough model is in danger.

We have 32 boroughs in London, of which Ealing is the third most populated. We have 600-odd police officers in Ealing. I am worried about the dilution that my hon. Friend the Member for Harrow West warned of. There is a current programme to tackle the MOPAC 7 crimes, which include burglary, criminal damage, robbery, theft

[Dr Rupa Huq]

of and from motor vehicles, and theft from the person. Even under the new model, in which we have gone from safer neighbourhood teams to local policing, we can report a 27% reduction in those seven crimes in Ealing, with the most dramatic reductions being in robbery and burglary. I welcome that fact.

We all have to recognise that policing with and in local communities is about neighbourhood policing. Police officers in this country are not seen as Robocop. We have strong ties, and people know named officers. That is the difference between us and other nations, but I fear that that is endangered by the cuts by stealth, the reshaping, the shaving off of PCSO numbers and the threat of merging borough commands.

All the police I speak to say that they are in a position of not knowing what will happen next. They still do not know the future shape of the police force in London, and the amalgamation of borough commands is a worry. At the moment, all 32 boroughs have a chief superintendent, and that is why things have improved: there is a go-to person. The chief superintendent and the command team can liaise with all the authorities—for example, the chief executive of the council, the health services, the mental health services, the probation service, safeguarding, which covers adults and children, and third sector people. That could be lost.

We heard about the tri-borough nightmare in Harrow, where the borough command is possibly merging with Barnet, which is geographically quite far. I believe the idea of merging borough commands is still on the table. It has been discussed before by MOPAC, and I want some clarity on whether it is still an option. Will it go ahead? What benefits will it bring? What significant improvements will it make to local people in Ealing and Acton if you merge these forces in this way? [Interruption.] Does the Minister want to intervene?

Mr Peter Bone (in the Chair): It is not me who will make any of these decisions. I think you were referring to the Minister when you said “you”.

Dr Huq: Okay; I apologise to the Minister.

Mike Penning: I apologise; that was inappropriate of me. If the hon. Lady says “you” in her speech, it refers not to me but the Chair. I cannot do anything anyhow, because that is for the commissioner.

Dr Huq: My apologies. I am a rookie MP, so the terminology is still new to me.

The 27% reduction in the MOPAC 7 crimes in Ealing is good news for the Minister, and I am sure he will welcome it. However, communities and boroughs need dedicated PCSOs. That is vital to our police service. Each of the 32 boroughs in London needs their own chief superintendent and command team. We as MPs need to work hand in glove with the police dedicated to our patches.

I will be brief—I only intended to make an intervention, but it has turned into a speech. The money may have been found down the back of the sofa so that it can be said there are no police cuts, but there are lingering

doubts about what the shape of the police force will look like and that the worst could be yet to come, so I would like some clarification on the issue of the borough model.

Mr Peter Bone (in the Chair): The last Back-Bench speech will be from Helen Hayes; I appreciate her waiting. It would be helpful if we could start the Front-Bench speeches at 12.40 pm.

12.37 pm

Helen Hayes (Dulwich and West Norwood) (Lab): It is a pleasure to serve under your chairmanship, Mr Bone. I will do my best to stick to the timescale you outlined.

My first experience of working with the police as an elected local representative was as a local councillor working with my safer neighbourhood team, set up by the former Labour Mayor of London. I found the dedicated team of six officers to be hugely impressive, forging strong connections and relationships across the community and working in a way that was responsive to local needs and issues but also proactive and preventive. They also delivered results. We saw estates that had suffered episodes of gang-related violence have no such problems for years, and antisocial behaviour and drug dealing properly dealt with. We saw the perpetrators of spates of burglaries quickly apprehended and really valuable work, such as the detailed mapping of a large area of woodland in the ward, so that it was easier to find lost children. Most importantly, we saw the police out and about in the ward day in, day out, getting to know residents, understanding and responding to their concerns and preventing crime as well as responding to it.

I would like to pay tribute briefly to the hard work of the police in my constituency, which often goes above and beyond the call of duty. I was contacted on 23 December by a vulnerable elderly resident who had been the victim of a particularly nasty robbery in his home. He was calling to ask that I wrote to thank the borough commander because, in his words, the officers who responded to his call for help had been not only effective but kind, organising a small party and whip-round to show their support. We should not for a moment forget such excellent work when we debate policing in London.

The cuts to policing in London have been extensively covered by my colleagues, so I will not dwell on them in detail. I will simply say that the cuts have been devastating, and that the change from safer neighbourhood policing to the local policing model has been the most damaging of all. That reorganisation strips away one of the vital tools the police had for building deep relationships with the communities they serve, and we are seeing the impacts on the ground.

On one of the estates in my constituency, residents, many of them elderly, are not currently receiving any post because the postal worker who delivers there has been threatened and mugged, and Royal Mail has decided it is not a safe environment in which its staff should deliver. That could easily be resolved if the safer neighbourhood team could put resources on the ground, as it could previously. On another estate, problems of antisocial behaviour are not being dealt with as quickly as they could be before. On another street, a spate of

burglaries running on for months and months culminated in a horrible attack, where the contents of a petrol canister were thrown over a local resident.

Our police have been forced by the cuts to become reactive instead of proactive, visiting the victims of burglary or robbery after the crime has taken place and responding to call-outs. However, a proactive approach through neighbourhood policing is vital to addressing some of the most serious and pressing challenges that we face—gun and knife crime, child sexual exploitation, radicalisation and terrorism, forced marriage and honour-based violence and hate crimes. Investigating and preventing those crimes requires the police to have the depth of knowledge and relationships with the communities they serve that cannot be fabricated in the heat of a rapid response, once a crime has taken place. As one community activist in Brixton said during a MOPAC roadshow meeting, in eroding safer neighbourhood teams

“you have taken the heart out of policing”.

Neighbourhood policing is vital to maintaining confidence and trust in the police. When communities know their officers and officers know their patch, the police have a public face at local level. When that is taken away, the public are left to rely on headlines and high-profile cases and the individual experiences of people who have sadly already been the victims of crime to determine their level of confidence in the police.

Finally, neighbourhood policing should not be regarded as the softer side of policing, but as the vital relationship-building bridge between the police and the communities they serve and the key to resolving and preventing many of the serious crimes that can threaten the security and stability of our communities.

12.41 pm

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Mr Bone. I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on rightly bringing to the House—as one of the first debates we are having in the House this year—this debate on the importance of the safety and security of our citizens in London and, crucially, the role played by neighbourhood policing.

I also pay tribute to my right hon. Friend the Member for Tooting (Sadiq Khan) and my hon. Friends the Members for Mitcham and Morden (Siobhain McDonagh), for Harrow West (Mr Thomas), for Brentford and Isleworth (Ruth Cadbury), for Ealing Central and Acton (Dr Huq) and for Dulwich and West Norwood (Helen Hayes) for bringing to this debate the experience of their constituents and the concerns that are increasingly being expressed.

My hon. Friend the Member for Westminster North was right to remind us of the legacy of history. I will say two things about legacy. First, painful lessons have been learnt from what was a very different era of the policing of London—following Scarman, Macpherson and stop and search. Indeed, John Grieve said today, in a powerful intervention, “I got it wrong all those years ago and I feel ashamed of myself.” One senior police officer in London said to me, “Jack, we were like Robocops touring estates in cars, remote from the communities that we were responsible for policing and distrusted by them.”

The second thing about the legacy of history is that although the police themselves learnt lessons, including excellent police officers such as Sir John Stevens, that came together with what we did in government to create the British model of neighbourhood policing that is celebrated worldwide. That included 17,000 extra police officers, 16,000 police community support officers and, here in London, ward-based safer neighbourhood teams.

As my right hon. Friend the Member for Tooting said, rooted as he is in his community and in the great city of London, this is about the notion of patiently building good community relationships of trust and confidence, whereby people then co-operate in detecting crime, but it is about more than that: it is about preventing crime and diverting people from crime. Again, my hon. Friend the Member for Westminster North gave the excellent example of the boxing club in her constituency. It is about engagement between the police and young people, whereby the police come to be seen very differently by the young people they serve.

Sadly, a generation of progress that has been made in building trust and confidence is now being reversed. In the words of my right hon. Friend the Member for Tooting, today we are seeing the filleting of neighbourhood teams here in London, as a consequence of the last five years, with the £600 million of cuts, and of what will happen in the next five years, when there will be remorseless reductions at the next stages. These are the biggest cuts to any police service in Europe.

The first duty of any Government is the safety and security of their citizens. I therefore stress how important it is that the truth is told in this very important debate. First, it is not true that crime overall is falling. Crime is changing. There are disturbing signs, in the words of Sir Hugh Orde, the former chairman of the Association of Chief Police Officers, of a “tipping point” being reached; and, as the statistics are now cleaned up, we see police recorded crime up 3%, violent crime up 24% in London and sexual crime up 29% in London. In addition, we are seeing a rapid growth in cybercrime. That will now be included in the crime statistics from this year onwards, showing a 40% increase in crime overall. I therefore hope the Government will stop saying, “We cut police, but we cut crime,” in circumstances where the truth will be told.

Secondly, it is not true that the comprehensive spending review protected police budgets. As has been said, the pressures remain tight and resources will reduce. Sir Bernard Hogan-Howe has been absolutely clear about how that presents big challenges to the police service. The threat relating to the reform of the funding formula still remains. There was an omnishambles and that had to be shelved, but again, as he has said, “It makes it difficult to plan ahead in circumstances where we do not quite know what our income streams will be in two to five and five to 10 years’ time.”

Thirdly, as has been exposed today, it is not true to say that there are more neighbourhood police officers here in London. Suffice to say, the powerful case that Opposition Members have made shows that such assertions about statistics are as reliable as dodgy Del Boy promises that “All will be right if you buy from me now.”

This is the worst possible time for the Government to continue putting those resource pressures on our police service. It is not just about the tipping point being reached in relation to conventional crime, as it is sometimes

[Jack Dromey]

called, but about the challenges relating, first, to child sexual exploitation and abuse. Rightly, this country is rising to the challenge of rooting out that evil and protecting children, but that is hugely resource-intensive. Secondly, there is the rapid growth of cybercrime.

Thirdly and crucially, there is the uniquely awful generational threat of terrorism that we now have in our country. Key to combating terrorism is good neighbourhood policing. Peter Clarke, the former head of counter-terrorism, said that neighbourhood policing was “the golden thread” from the locality to the global, where plots are hatched by terrorists. Mark Rowley, the current head of counter-terrorism said that, from their point of view, neighbourhood policing was absolutely crucial. Remember that we are seeing arrests for terrorism nationally at the rate of one a day, and here in London, Sir Bernard Hogan-Howe has said that the majority of leads in relation to those engaged in or plotting terrorism has come from neighbourhood policing—not from high-tech surveillance, although that plays its role, or international collaboration, although that is absolutely crucial. However, neighbourhood policing and the patient building of good community relationships are key to detecting those who are planning such outrageous wrongdoing.

In conclusion, as Opposition Members have said, it is welcome that within 48 hours of the comprehensive spending review the Government pulled back from the brink and did not make a proposed 22% cut on top of the 25% cut in the last Parliament. However, the facts speak for themselves: resources will reduce. Neighbourhood policing in London is being hollowed out. I say, with due respect to the Minister, that at a time like this, the Government need to think again, because it is true that the first duty of any Government is the safety and security of their citizens and the Government cannot say, “We backed the police,” unless they make the necessary resources available.

12.48 pm

The Minister for Policing, Crime and Criminal Justice (Mike Penning): It is a pleasure to serve under your chairmanship for the first time in the new year, Mr Bone; I am sure we will have plenty more encounters.

It is good to see the shadow Policing Minister, the hon. Member for Birmingham, Erdington (Jack Dromey), in his position, and I hope that, as things progress, he stays in the job, because he is passionate and cares an awful lot—he knows me well enough to know I mean that.

I was wondering if I was on one side of a hustings for the mayoral election at one stage of the debate. I fully understand why the debate was called; in many ways, it was called prior to the announcement on the funding—[*Interruption.*] If I am wrong, I apologise, but it felt that way. This issue has certainly been part of the mayoral election campaign, and I would probably have done the same thing had I been on the other side. However, I would not be saying what has been said today, because anybody who is listening to this debate from outside the Chamber or outside London would think that crime in this country is rocketing and that terrible situations are happening across our country, but they are not.

Let me touch on some of the points that have been made. What was the cut in the number of police officers in London? It was 4%. That was the loss in the number of police officers, yet crime in London has fallen. Recorded crime has fallen by 11%—[*Interruption.*] The shadow Minister has said from a sedentary position and previously, during his speech, that things have changed. Absolutely: crime in this country is changing dramatically. Police officers and chiefs, and in London the Mayor, must make the operational decisions on where to put resources.

We asked the 43 police forces for which I am responsible around England and Wales to look at whether they could make 25% savings or more. Some, including London, said they could make 10% savings over this spending round. The Labour party and its spokesman said they could save 10%. No one listening to this debate would know that the Labour party had said that before the spending round, but it did. We looked carefully at how we could police in this difficult situation going forward—not only local policing and making people feel safe in their homes, but dealing with terrorism and so on.

That must be put on the record, because no one will have heard during the past hour and a half that the Labour party wanted to cut spending on the police in this country by 10%.

Meg Hillier: I think the Minister has misunderstood some comments from Opposition Members. We acknowledge that there are issues with funding. We are saying that one priority should be ingrained, neighbourhood community policing because, for all the reasons outlined by my hon. Friend the Member for Westminster North (Ms Buck), that has a beneficial effect all round.

Mike Penning: I respect the hon. Lady a lot, not least in her role as Chair of the Public Accounts Committee, but that is a policing decision. It is for the police to decide how they police the community, not for politicians in this Chamber.

Ms Buck *rose*—

Mr Gareth Thomas *rose*—

Mike Penning: I will give way in a moment if I can. It is not for us to say what police stations should be open. Those days have gone. We said we would not make the 10% cut that the Labour party recommended. We said no cut. In fact, there is a £900 million funding increase for London over this spending round.

Ms Buck: I want to challenge the Minister on operational decisions. I have wanted this debate for some time. Resources are an issue and we can debate them, but fundamentally it is absolutely right for politicians to talk about the values and principles on which our city is policed. Many Opposition Members have expressed deep concern about the local policing model, even if that model has rested upon the same resources that we had in 2010. It is completely right and just for us to do so, and the Minister is totally wrong to say that we should not be discussing that.

Mike Penning: I did not say we should not discuss that; I said we should not be telling the police how to police operationally, because that is fundamentally wrong.

Mr Gareth Thomas *rose—*

Sadiq Khan *rose—*

Mike Penning: I will not give way again, because I am very short on time.

Sadiq Khan: I will make it easy.

Mike Penning: The right hon. Gentleman has already presented his election campaign so we can wait a little longer for another press release.

We need to make sure that the public have the truth and are not scared—*[Interruption.]* I will not give way again, so hon. Members need not even try. We must make sure that public are not scared by these sorts of debate and the sorts of press releases that are being out here. Let me give an example of fantastic policing work being done in Westminster—in particular, in the constituency of the hon. Member for Westminster North, who did not mention this in her speech. Under Operation Trident recently, there have been 150 arrests, 15 knives have been seized, and nine adults have been charged with drug-related offences and given custodial sentences.

Ms Buck: Will the Minister given way?

Mike Penning: I will not give way. We have had a debate of nearly one and half hours, and positive things that are happening in parts of the hon. Lady's constituency—

Ms Buck: Part of the issue with Operation Trident, which does some excellent work—I referred to it specifically—is that we have a lot of difficulty finding out what it does. The whole point of this debate rests on the fact that our safer neighbourhood teams were conduits for local information and relationship-building. That in no way detracts from the quality of police work. We are addressing a different problem. Operation Trident's success lies on the bedrock of ward-based safer neighbourhood teams.

Sadiq Khan: The Minister does not get it.

Mike Penning: I will have to write to right hon. and hon. Members, as I will not have time to deal with all the points now, because we are going over the debate that we have already had. However, Operation Trident has done fantastic work, with local information, in the hon. Lady's constituency, so arrests and prosecutions have taken place. That is happening today.

I will have the honour and privilege in the next couple of weeks of going to Hendon for the passing-out parade, so more officers will be coming out of basic training. On PCSOs, the commissioner has already announced that there will be no reduction from the present levels. I think we would accept that that is right and proper.

Let me also touch on some of the points to do with representation. I think that is really important. Actually, this is one of the things that the commissioner has done that I think is really important, and the Mayor of London has supported it as well. The commissioner has said that recruits—people who want to join the police—have to live in their communities. There is an exemption, which is right and proper, for our armed forces. I was born and bred in Edmonton, but I went off and joined the Army at 16. When I left the Army, I would never

have been allowed to join the Met police under the present rules unless there was an exemption for our armed forces. That exemption is right and proper.

However, I think we need to go further. I would say this as a Hertfordshire MP, but the Metropolitan police often recruit trained police officers from outside the Met area and bring them in. I do not think that that is great. I know there are some specialist roles that need to be done, particularly in relation to armed response and other areas, but actually officers should replicate the communities that they serve. I am determined that, throughout the ranks of the police forces in England and Wales, officers should replicate the communities that they serve and live in them. They do not now, and that is not something that has suddenly happened; it is something that we should have addressed years ago. How many chief constables are from a black and ethnic minority background? Very few are, so we must ensure that that happens.

The Chair of the Public Accounts Committee mentioned other duties that the police undertake. That is one of the things that I have been banging on about. I am sorry if she has not heard or has been sent to sleep by any of the speeches that I have made on that subject, but I know that the shadow Policing Minister has heard them. We now have an inter-ministerial group—it started under the coalition—so that we are stopping police officers doing something that they are fundamentally not trained to do, particularly in relation to mental health. I have been out on patrol with the police, like many colleagues here, and all too often when we say, “Where are we going?”, the reply is that we are going to see Mary or Johnny, and this is at 7 o'clock on a Friday night. “Why are we going to see Mary?” “Well, because social services phoned up and they haven't seen her all week. She's a very vulnerable lady, so we should go and see her.” No, we should not. It was because a phone call had come in earlier in the evening saying, “We haven't seen her. Will you go and see her?” That is a social services responsibility. Of course we went, and of course the police would do that, but it is not the key role of the police.

Ruth Cadbury: The Minister might like to reflect on the fact that too often the police are the ones being called in because too many of these public services, such as social care and youth services, either are non-existent or have been cut back so far that there is no one to do that visit.

Mike Penning: I would challenge whether that is true. I hear this from police officers all the time: when they ask social services when they realised that Mary or Johnny had not been visited and they have not heard from them, the answer is that it was earlier in the week. This nearly always happens on a Friday evening. I am not saying that the police will not respond—of course they will—but we should not be continually asking the police to do something that they are fundamentally not trained to do. Social services need to step up to the plate.

We have changed the rules, particularly on holding juveniles in cells. We were told that that could not work, but what was happening was fundamentally wrong and illegal. A place of safety for someone with a mental illness or a learning difficulty is not a police cell. It is

[Mike Penning]

actually and fundamentally an important place that they should be taken to. I was in Holborn recently and we did exactly that. Traditionally, people would have been taken back to the cells—section 135 or 136 of the Mental Health Act 1983 might have been used to detain them. We are changing that more and more as we bring in mental health professionals—paid for by the NHS in most cases—who may be embedded with the police in custody facilities, although actually more of them are triaging people out on the streets. That is the sort of thing that is required. We have to have other experts from other departments. We have to break down these silos to try to ensure—[*Interruption.*] Hon. Members ask from a sedentary position where that is happening. It is happening around the country now. We must not say that it is acceptable that the police are being used inappropriately, and they have been for many years—not just under this Administration, but prior to that.

It is fundamentally important to make this point. Yes, there is a debate—a discussion—but the British public are safer today than they have ever been from traditional crime, which continues to fall. We must ensure that we put all our resources into protecting them from the new types of crime, particularly terrorism. Of course neighbourhood policing is a very important part of that, but it is not about buildings or stations; it is about people delivering the help that the public need.

Mr Peter Bone (in the Chair): I apologise to Karen Buck, but we do not have time to come back to her for a winding-up speech.

Question put and agreed to.

Resolved,

That this House has considered Safer Neighbourhood policing in London.

Mr Peter Bone (in the Chair): The debate that was scheduled to take place at 1 pm has been withdrawn by the Member in charge. Therefore the sitting will be suspended until 1.30 pm.

1 pm

Sitting suspended.

UK and Kazakhstan

[GERAINT DAVIES *in the Chair*]

1.30 pm

Geraint Davies (in the Chair): Happy new year, everyone.

Bob Stewart (Beckenham) (Con): I beg to move,

That this House has considered the relationship between the UK and Kazakhstan.

Happy new year, everyone. It is particularly good to see staff from the embassy of Kazakhstan here. I declare my personal interest as treasurer of the all-party parliamentary group on Kazakhstan.

Kazakhstan is massive. The whole of western Europe would fit into the state. It is the world's largest landlocked country, and it stretches from the Caspian sea to China. Some 16 million people live across its vast lands. Kazakhstan is so vast that, if those people were evenly spread out, there would be only six in every square kilometre. In 1991, Kazakhstan was the last former Soviet republic to break from the Soviet Union. The former Communist party leader, Nursultan Nazarbayev, has effectively ruled the country since its independence—he is now 75 years old. He was first elected as the secretary of the Communist party of Kazakhstan in 1989, but he was re-elected after the break with the Soviet Union in 1991. Practically unopposed, President Nazarbayev has won—

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I declare my interest as chair of the all-party parliamentary group on Kazakhstan. Does the hon. Gentleman agree that one of Kazakhstan's problems is that its wealth is very much in its oil and that it needs to import many products? One of the challenges that the political leadership will have is in governance and the country's relationship with its neighbours.

Bob Stewart: I thank my good friend, despite her being in opposition, for that intervention. I entirely agree that that is one of the problems that Kazakhstan has to address.

The President is very popular with ordinary Kazakhs and is credited with presiding over successful political, economic and social changes through the 1990s and impressive economic growth since 2000. Corruption is undoubtedly a serious problem in the country, with perceptions of Kazakhstan in Transparency International's annual index being almost as bad as the perceptions of Russia. However, I note that Kazakhstan is not listed as a country of concern in the 2014 Foreign and Commonwealth Office annual report on human rights, unlike its neighbours Uzbekistan and Turkmenistan.

Clearly, President Nazarbayev retains a tight rein on power. In fairness, he argues that real democracy will come one day but that change must be gradual so as not to destroy the country's stability. That makes pragmatic sense, considering the situation in many surrounding countries. Kazakhstan is doing its very best in a region where good governance is hardly endemic. After all, Kazakhstan is no different from countless other states across the world, most of which the United Kingdom considers to be both friendly and a trading partner.

With that in mind, I support Kazakhstan's bid for a non-permanent seat on the UN Security Council in 2017, and I hope the Minister will do so, too. Kazakhstan has a great record on non-proliferation and disarmament, and it gave invaluable help to our Government during the withdrawal of British forces from Afghanistan. Kazakhstan also hosted two rounds of negotiations on the Iranian nuclear programme, which was important. Kazakhstan has also mediated in talks on Syria and Ukraine. Finally, the country has initiated the establishment of a nuclear weapons-free zone in central Asia—that treaty was signed on 8 September 2006 in Kazakhstan. In 2009, it was Kazakhstan that initiated the adoption of the UN resolution declaring 29 August as the International Day against Nuclear Tests. Kazakhstan has also closed down a nuclear test site, which was a legacy of the Soviet Union. That is an impressive record.

Oil is dominant in Kazakhstan's economy. It provides a very large source of foreign investment, Government revenues and employment. Kazakhstan is the 17th largest oil-producing country in the world and has the 12th largest proven reserves of oil, too. Booming oil prices sustained Kazakhstan's strong growth from 2000 to 2007, when the global financial crisis hit. GDP per capita, a measure of living standards, rose by 89% in real terms over those years. Growth slowed in 2008 and 2009, but picked up again in 2010. The World Bank notes that those rising income levels have led to rapidly falling levels of poverty, which is excellent news.

Our Prime Minister visited the Kashagan oil district on the Caspian sea in June 2013, taking with him representatives from 30 British businesses. The visit was billed as the beginning of a new strategic partnership with the United Kingdom. More recently, President Nazarbayev visited the UK last November to hold talks with the Prime Minister in No. 10 Downing Street. The President and Prime Minister discussed Russia and Ukraine. On Syria, they considered the vital importance of finding a political solution to the conflict and, concerning Daesh, the Prime Minister and President agreed that violent Islamist extremism poses one of the most significant threats to our generation and that there must be comprehensive efforts to defeat it. On Afghanistan, the two leaders agreed that rebuilding the economy would be a key guarantor of the country's future stability. In short, Kazakhstan is clearly playing a full and responsible part on the world stage.

After the meeting, the Prime Minister announced that the two leaders had secured 40 deals worth £3 billion. The biggest deal was a memorandum of understanding with Kazakh state firm KazTransGas on the construction of a 1,500 km gas pipeline and four power plants in Kazakhstan. Will the Minister tell us about President Nazarbayev's reforms and our partnership deals with Kazakhstan? What further plans are there to enhance our relationship with the Kazakhs?

I am told that there is a bit of a problem doing business in Kazakhstan. Consultant advisers such as McKinsey & Company suggests that it stems from factors such as the taxation system, lack of transparency, corruption and possibly the revision of original contracts, which is awful for businesses. Mindful that the UK is one of the top 10 investors in Kazakhstan, what are the Government doing to help fix such problems for our businesses?

As a member of the Defence Committee, I am particularly interested in how we can foster and grow a bigger military relationship between Kazakhstan and the United Kingdom. I gather that a certain amount of defence co-operation has taken place already, particularly on the UK's withdrawal of troops from neighbouring Afghanistan. Just over two years ago, in November 2013, a military co-operation plan was signed between our Ministry of Defence and Kazakhstan's. Matters decided included support for English language training, career courses in the UK and peacekeeping courses with the British military advisory training team based in the Czech Republic, as well as for programmes to professionalise the Kazakh armed forces and participate in KADEX, the Kazakhstan defence exhibition. Although I appreciate that the Minister is not part of the defence ministerial team, when he replies to this debate, can he update us on the status of our defence relationship with Kazakhstan?

In conclusion, I believe that the United Kingdom's current and future relationship with Kazakhstan is of huge importance and will be beneficial to both. Kazakhstan might not be a democracy in the way that we experience democracy, but it is one in its own manner. We should help the country to evolve its own version of democracy even further, which will take time. Political, economic, social and military links between the UK and Kazakhstan will help each not only to understand the other better but to prosper.

Geraint Davies (in the Chair): I call Peter Grant. [*Interruption.*] Sorry; my notes are obviously wrong. I call Tasmina Ahmed-Sheikh.

1.42 pm

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Thank you, Mr Davies. I apologise for any confusion on our part. I wish everybody a happy new year and welcome members of the Kazakh embassy, and I thank the hon. Member for Beckenham (Bob Stewart) for securing this debate.

Kazakhstan's history, geography and economy make our relationship an important one. I understand that the Government's position is to secure that relationship in order to become the country's partner of choice and build on our strong position with regard to trade and investment. Given this Government's woeful record on the balance of trade, I suppose that every bit helps in closing our current huge trade deficit. As the British Chambers of Commerce said last month, our poor trade performance will continue to be a drag on UK growth into the fourth quarter. I agree with this quote from the BCC:

"If we are to redress the balance and reverse our long-running trade deficit, more must be done to help support export growth, including improved access to funding for those looking to export."

In the context of this debate, I agree that it makes strategic sense to work to become a key partner of Kazakhstan, particularly on trade. As the hon. Member for Beckenham mentioned, Kazakhstan is currently 126th out of 175 countries on Transparency International's corruption perceptions index, which is significant. It signals to those of us in the SNP that we need to be a friend to the people of Kazakhstan, not just to its Government.

[*Ms Tasmina Ahmed-Sheikh*]

Kazakhstan restricts freedom of assembly, speech and religion, and torture remains a problem. In 2014, authorities closed newspapers and jailed or fined dozens of people after peaceful but unsanctioned protests, and fined or detained worshippers for practising religion outside state controls. Critics of the Government remain in detention after unfair trials. Recently adopted changes to the criminal code and a new law on trade unions contain articles that restrict fundamental freedoms and are incompatible with international standards. If we are to be a friend to the Kazakh people, as I believe we should be, we must make every effort to use our position of influence with President Nazarbayev to conduct serious reforms of his country's democratic process and human rights legislation.

Press freedom is a case in point. Kazakhstan was placed 160th out of 180 countries in the 2015 world press freedom index, which noted that media pluralism is succumbing to increasing repression by the regime. Increased Government pressure on the press has shrunk the already limited space for freedom of expression. Media production and distribution are largely controlled by members of the Nazarbayev family or powerful businesses affiliated with the regime. Government propaganda dominates the informational space and systematically discredits independent voices. In fact, a London-based correspondent for the state TV channel, Bela Kudaibergenova, quit her job on 3 December, saying that she was "tired of lying".

One particular human rights case that I want to raise is the detention of Vladimir Kozlov, a journalist and the leader of the unregistered political party Alga. It is a significant act that has rightly attracted attention from international human rights groups. He was sentenced on 8 October 2012 to seven and a half years in prison. The charges relate to Kozlov's alleged role in violent clashes that took place in Zhanaozen following extended labour strikes. A month after Kozlov's trial, a court suspended the activities of Kozlov's party after the Almaty prosecutor's office asked a court to designate Alga, the People's Front movement and several opposition media outlets as extremist.

I am glad that the Prime Minister met the Kazakh President at Downing Street in November, and raised "Kazakhstan's progress on political and societal reform" within a wider discussion of trade and international security. It would be most helpful if the Minister confirmed whether, during those talks, the Prime Minister raised the specific case of Vladimir Kozlov. What measures has the Foreign Office taken to ensure that promoting human rights in Kazakhstan stays at the top of our bilateral agenda?

The development of Kazakhstan's economy presents a range of opportunities for organisations from the UK and Scotland, from the oil industry to our higher education sector. We must ensure that we use our favourable position to exert pressure on the President to address the serious human rights issues in his country at the same time. Consistency of approach on human rights is imperative.

1.47 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): For the sake of belt and braces, I repeat my interest as chair of the all-party group on Kazakhstan. I am

beginning to wonder whether, whenever we discuss a country, we should start by being given a map showing that country in the centre. It would give us a bit more understanding of the geographical constraints and some of the problems and historical developments. In the case of Kazakhstan, that is particularly important now that we are establishing more exchange and relationship.

I think of a poignant quote from the chief executive officer of the Kazakh central bank, Berik Otemurat; I am happy to take pronunciation lessons after this debate. As someone whose name is permanently mispronounced, I am sure that it must be irritating for people to listen to us mispronouncing their names. He said of Kazakhstan's current problems in the context of falling oil prices that the country has massive cash reserves, and it is a question of how to invest those; what is its relationship with hedge funds and all the new financial vehicles? He went on:

"I have always thought about ourselves"—

Kazakhstan—

"as a newly-born giant kid standing on the shore of an ocean of opportunities for the country, being afraid to make our first steps without breaking a leg. Before you run you have to learn how to walk."

What is imperative is reaching out both to the people and to the Government. As for our definition of democracy, we hope that this is not just the beginning, but that democracy will continue. The Government are the people, and the people should provide the Government. Therefore, it is not always helpful to draw those kinds of separations.

However, the best thing that we can do to help in terms of reaching out and allowing this process, which in many ways is one of learning to walk, is around governance, including governance of party political processes. We have fantastic organisations here, such as the Westminster Foundation for Democracy, where we work across parties. We must recognise that there is a real difficulty post-1989 for countries to establish political parties, including a process whereby loyal opposition parties that have different ways of thinking about how things should be done can be established.

At the same time, when there is an electoral result of 97% for one party we just know that something is wrong; not even someone's own family would vote for them with a margin of 97%. That takes us to the processes of transition. One mistake that we sometimes make is that we think that just because someone has a ballot paper and because there are ballot boxes, that in itself means there is a democratic process; that may be one of my criticisms of the Organisation for Security and Co-operation in Europe when it carries out election monitoring. Kazakhstan has gone through the process, but to quote T.S. Eliot, "You had the experience but you may have missed the meaning". For me, the meaning always is that the people actually change those in government in a peaceful process. So, it is not the first election or even the second election that matters; what matters for me is always the first peaceful transition from those who have been in power to the Opposition, which replaces them. In that sense, when we look at that whole part of the world post-1989, we see that most of the countries are, in some way or another, struggling with that process.

We need to do what we can to help with that process. There is a reason why I think Governments and bureaucracies are so important. I always say we need

bureaucracy and such things as a civil service and all the other institutions because they are the organisations that stop things from going seriously wrong when there is a crisis. Therefore, we need those fall-back positions.

There are two areas that I plead to the Minister about regarding our relationship with Kazakhstan. One is financial governance. There are some serious problems if a country has huge cash reserves, is beginning to look at greater involvement with hedge funds and has a big national sovereign fund. We also read about the emergence of the Bitcoin market. If the financial markets are ungoverned spaces, we just know that something will go wrong.

The second area is about the times when a country experiences very high inflation while also experiencing falling oil prices. Those periods will have some economic problems, which—again—we can provide some significant help with, by supporting those structures that I have mentioned. What will hold us together is membership of the big international organisations, whether it is the World Trade Organisation, the International Monetary Fund or the United Nations. Those structures have rules which we all must comply with. Therefore, it is as much in the interests of the people of Kazakhstan as it is in our interests that such rules-based processes and a shared understanding of those rules are entrenched, so that the rules are not something that countries must learn to evade or avoid, but instead help people to govern their own country and to deal with other people.

Building that capacity—whether it is with the OSCE or the WFD, or through bilateral support of our businesses—is something that we must do more of, particularly in those parts of the world that will become increasingly important to us all. It is in relation to one of those countries—Kazakhstan—that I am glad that parliamentary colleagues, both in the Commons and in the Lords, have decided that an all-party group should be formed. Therefore, I hope that, in the end, we will learn from each other, and if we cannot do so I hope that we will at least understand each other better.

1.54 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Mr Davies.

I thank my very good friend, the hon. Member for Beckenham (Bob Stewart), for bringing this matter to Westminster Hall for consideration. It will be no surprise to Members here that I will focus on some of the human rights issues and the persecution of Christians in Kazakhstan. I mean to do so in a very constructive way. I hope that Members will view my contribution in that way, but it is also very important that these things are said; they need to be said. We have a very strong economic working relationship with Kazakhstan and we want that to continue, but the issues of human rights and equalities, as well as the abuses that take place, also have to be addressed.

Kazakhstan is often overlooked, but it is the world's largest landlocked country; as the hon. Member for Beckenham said in his introductory remarks, it is larger than western Europe. Therefore, I suppose that we should not be that surprised to learn that the astronaut Tim Peake was launched into space from that central Asian republic. It has been ruled by the same president—Nursultan Nazarbayev—since it gained independence

from the Soviet Union in 1991. Nazarbayev's regime is heavily criticised by human rights groups for restricting freedom of speech and for its apparent lack of democracy. At the most recent presidential elections, Mr Nazarbayev obtained 97% of the vote, which is a majority that some MPs can only dream of.

As the right hon. Member for Birmingham, Edgbaston (Ms Stuart) said, there has been a start to democracy in Kazakhstan, but there is a long way for that democracy to move, and it must move alongside the securing of human rights and equalities. The hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) clearly outlined the human rights issues in her contribution, and I will do that too, as well as I can.

Kazakhstan is No. 42 on the Open Doors world watch list and suffers from both Islamic extremism and dictatorial paranoia. The population is 16.7 million, of whom 2.5 million are Christian, although the majority of people in Kazakhstan are followers of Islam. The Christians amount to some 12% to 13% of the population. Not all Christians are affected by persecution in Kazakhstan, but those from non-traditional Protestant groups or who are converts from Islam face the most pressure from both families and communities, as well as from the regime, which is constantly working hard to extend its influence in the country.

More and more sanctions have been imposed on the Church, and Christians are frequently fined for their activities, while pastors are often arrested and imprisoned. In 2014, at least 71 people were fined for worshipping in unregistered underground churches. When people are denied their basic human rights and cannot enjoy freedom of religion or belief, it is little wonder that they are forced underground. Also, a law passed in 2011 limits church registration to groups of more than 50 people, forcing more than 500 churches to close and making church planting nearly impossible. It is surprising that there are 2.5 million Christians in Kazakhstan when we realise the very direct effect that those activities have had upon them. In 2013, Pastor Bakhytzhan Kashkumbayev from Astana—such names never come out right in my Ulster Scots accent—spent eight months in prison and was given a four-year suspended sentence for allegedly serving a mind-altering substance to a parishioner, which turned out to be nothing more than herbal tea that was being used for communion.

Those are some of the things that have happened in Kazakhstan, Mr Davies, and you can understand why we as MPs have to ask these questions and make these contributions. Hopefully we do so in a constructive way through this debate, while also having these things recorded.

On human rights, Kazakhstan heavily restricts freedom of assembly, speech and religion, and torture remains a serious problem. In 2014, the authorities closed newspapers, jailed or fined dozens of people after peaceful but unsanctioned protests, and fined or detained worshippers for practising religion outside state controls. Government critics including Vladimir Kozlov, the opposition leader who the hon. Member for Ochil and South Perthshire referred to earlier, remain in detention after unfair trials.

Recently adopted changes to the Kazakh criminal code, as well as a new law on trade unions, contain articles restricting fundamental freedoms, which is incompatible with international standards, and I am

[Jim Shannon]

sure the Minister will refer to that in his response to the debate. Also, despite widespread calls to decriminalise libel and to amend the overboard criminal offence of inciting social, national, clan, racial or religious discord, the Kazakh authorities increased the sanctions for these offences in the new criminal code. We have to ask why they have done that, and why they restrict the freedoms of religion, expression and belief of the Kazakh people.

Independent and opposition media continue to face harassment and interference in their work. For example, in May 2014 a Radio Free Europe/Radio Liberty journalist was jailed for four days on hooliganism charges. He was not involved in any protest; he was just reporting for the radio after covering an anti-Eurasian Economic Union meeting.

These are some of the things that have happened in Kazakhstan. I have asked some questions about Kazakhstan before; they are in the background information that I have. The Minister who is here today was the person who responded to those questions. I asked questions in relation to fundamental labour rights and exploitation of child labour. I also asked questions about human rights, and freedom of expression, freedom of assembly and freedom of religion. In fairness—I give credit where credit is due—the Minister responded that the previous Foreign Secretary had brought the issue of human rights before the Kazakhstan Foreign Minister. I am not saying that no one has done anything, but I do not see the response and the changes, and it is changes that I want to see, so I think that the issue needs to be brought to Kazakhstan's attention again.

Despite the fact that the general public might overlook Kazakhstan, this central Asian republic is a hidden gem, with the potential to unleash a new wave of economic growth and co-operation between east and west. And it can do that, as the hon. Member for Beckenham said very well in his introduction. The ancient silk road that linked China in the east to us in the west ran through what is now Kazakhstan, and the potential for a new silk road has been talked about and can hopefully come to fruition. However, we must address the Kazakh regime's shortcomings on human rights and democracy.

Britons can visit the country visa-free until the end of 2017. We are a nation that is in favour with the Kazakhs and I expect we will be top of the list for future co-operation, as the emerging powerhouse gains traction and begins to fulfil its true potential. Kazakhstan is underdeveloped, but it is sitting on an abundant wealth of natural resources and minerals and it is essential that we work with the country to move it towards a real democracy with which we can work. We can then truly begin to unleash the potential of a close relationship with what is sure to become the powerhouse of central Asia and a facilitator of even greater trade links with the far east's emerging economies. The country is strategically placed, and we want to develop our relationship with it.

As we continue to advance our space industry and the stars become more and more within our reach, Kazakhstan, with its space capabilities, will become a central part of that. I am sure that Tim Peake will not be the last person to launch into orbit from such a place. The potential is there. Undoubtedly, Kazakhstan is one for the future.

I have outlined the potential for a new silk road, the abundance of underdeveloped resources and the huge swathes of undeveloped land, but we cannot fulfil the potential until we have progress on the key issues of human rights and democracy. With the election results I referred to being dismissed by the OECD as “largely indiscernible” and human rights organisations across the board continuing to raise the poor track record of the regime, with some of them feeling that it is getting worse, it is essential to put the necessary pressure on the Kazakh regime and let it know that such infringements are simply intolerable in this day and age. We need to get a balance between economic co-operation, human rights, equalities and religious freedom. Despite what Mr Nazarbayev's public relations offensive would have us think, Kazakhstan continues to stand as a pre-eminent post-Soviet dictatorship, in which, in addition to the disregard for democracy, political opposition and independent media are routinely stifled. Events such as the 2011 Zhanaozen massacre, in which a dozen unarmed protestors were killed, have gone largely unpunished and, despite free speech being guaranteed in the country's constitution, the reality is very different—I have given examples of just that. The potential for Kazakhstan is amazing, but we can begin to work fully with it to fulfil that potential only when the regime becomes a democracy that respects all human rights.

Geraint Davies (in the Chair): We now turn to the Front-Bench speakers, beginning with Peter Grant for the SNP.

2.3 pm

Peter Grant (Glenrothes) (SNP): Thank you, Mr Davies. Bliadhna Mhath Ùr dhuibh uile an seo. Happy new year to all those present. I commend the hon. Member for Beckenham (Bob Stewart) for securing the debate, and I apologise for the slight confusion about the speaking order. I do not think that either my hon. Friend the Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) or I have got over the shock of discovering at 8 o'clock last night that we would be on now, rather than at half-past 4, but we got here on time.

It is interesting that most of the speakers agree on what we are looking for. Kazakhstan is clearly a country of enormous strategic importance, but it is not our country; it is theirs, and we have to be careful about interfering too far in someone else's country. As the hon. Member for Strangford (Jim Shannon) pointed out, it is a country that has not yet managed to shake off the chains of the dictatorship its people lived under in Soviet times. It is a country with massive mineral wealth, and that inevitably means that everyone wants to be its friend. The judgment call that the UK Government and other Governments have to make must be this: where do we balance out the desire to ensure development in a way that matches our interests with not ignoring the serious human rights issues that continue to emerge?

Other speakers have commented on some of the more serious cases, so I will not repeat the details, but it often seems that if a country's press is not genuinely free, its human rights record will never be all that good. If no one is allowed to criticise, even if the criticism turns out to be unjustified, human rights abuses, corruption and the abuse of power will carry on, and even those who feel they should draw attention to

and expose such criminal acts are scared to because they are worried about what the consequences might be for them.

It is noticeable that Kazakhstan as a whole is already starting to reap the economic benefits of the massive natural resources at its disposal. Economic growth is significantly higher than in many other countries. Its GDP per capita places it well above average and pushes it just about into the top quartile of the world's countries—according to my good friends at the CIA, who I find are good sources of information on any country I want to check up on. By comparison, however, the lot of the typical Kazakhstan citizen is not all that great. It is 152nd in the world for life expectancy—almost into the third quartile—and 157th and 138th for health and education expenditure respectively. Those are figures we would expect to see from a country that did not have the resources to invest in its people. Compared with many parts of the UK, Kazakhstan has a relatively young population, with the majority of its citizens of working age—between 25 and 55—and a significant number of young people as well, so by investing in education and health it can start to improve life expectancy.

It may be that life expectancy has been reduced by the appalling environmental legacy of the former Soviet masters. There is no doubt that taking advantage of the oil and mineral wealth has left behind pollution on a catastrophic scale. Kazakhstan borders the Aral sea, which has been described by some as the world's worst ever man-made environmental disaster. Because of a number of misguided policies of previous Soviet Governments, the sea is down to a fraction of its previous volume, which means that the pollution that flowed into it has now been left to blow around, affecting the health and lives of both the people and the livestock on which the agricultural economy of parts of the country greatly relies.

Some 59,000 children under the age of 14 are in employment in Kazakhstan. Why is that happening in what is a wealthy country?

Hon. Members have commented on the fact that there is, at first glance, a democratic society in Kazakhstan. People are allowed to vote in elections, but I do not think one needs to be too cynical to wonder whether elections are genuinely free and fair if between 95% and 97% of people vote for the same party. It is possible to get 95% of elected politicians from the same party without that—as my hon. Friend the Member for Ochil and South Perthshire and I can testify—but that is because of a flaw in an electoral system that is far from perfect. However, any election in which such a high proportion of the electorate is said to have voted in the same way makes one wonder whether they had a proper choice. The result is possibly partly explained by the enormous personal popularity of the President. If he is seen by his people as someone who has done a lot to manage the transition from what was effectively a colony of Russia to an independent nation and they are enormously grateful to him for that, we must respect that and their decision to vote for him.

Just a few weeks ago, Kazakhstan became the first and so far only country in central Asia to sign an enhanced partnership and co-operation agreement with the European Union. Interestingly, in the early stages of negotiation, the EU made it clear that progress towards such an agreement would depend on progress

in Kazakhstan's human rights record. If anything, that record has deteriorated over the time of the negotiations. The European Scrutiny Committee, on which you and I serve, Mr Davies, might want to return to that when the agreements on closer co-operation between the EU and Kazakhstan start coming through for UK Government Ministers to ratify or not—that is, if the EU is still relevant to the UK Government in a few years' time. Will the Minister indicate what view the Government take on the agreement? Do they feel that Kazakhstan has made sufficient progress on human rights for us to sign up to that agreement, or should we be looking for more?

We have to recognise that progress has been made, but we also have to recognise that that progress has been far too slow. If anything, we have been regressing rather than progressing. I hope that we will get an assurance that, as well as looking for trade deals that would benefit our economy and provide export opportunities for the United Kingdom, we will set an example of what used to be termed an ethical foreign policy. I hope the Minister will assure us that we will not allow UK investment power or the desire for economic growth in the United Kingdom to come at the cost of the abuse of human rights and the exploitation of child workers in some major industries in Kazakhstan, or at the cost of our turning a blind ear or a deaf ear to the cries of religious minorities who are not allowed to practise their faith in peace, or of journalists and other media workers who are not allowed to express fair criticism and are effectively not allowed to disagree publicly with the party line. I am interested to hear what he has to say about that. I am also very interested to see what comes before the European Scrutiny Committee in the presumably not too distant future. It would be good to look into the area in more detail.

I understand the strategic concerns of the Foreign and Commonwealth Office about Russia and China wooing Kazakhstan hard. If we have a country that would not match our definition of a full democracy, but which has a substantial Muslim population and a leader who is absolutely determined not to allow his country to become a breeding ground for Daesh and its preaching of hatred and death, there are clear reasons why we should want to speak to that country and be friends with it. We may at times have to be critical friends, and sometimes that criticism may need to be severe indeed.

2.12 pm

Catherine West (Hornsey and Wood Green) (Lab): It is an honour to serve under your chairmanship, Mr Davies. I will be very brief, because I know that the Minister will want a lot of time to respond to all the concerns that have been expressed. I commend the hon. Member for Beckenham (Bob Stewart) on securing the debate. The fluctuations in the oil markets have brought the topic into focus and shown the importance of this huge country to that economic question.

In brief, a couple of the points that the Minister should cover in his response are: how we can further work together on the counter-terrorism strategies that were briefly mentioned at the beginning of the debate; and how we can come together around the work on the anti-corruption strategies—I know he is working on them in other parts of the world as well—and governance. We have had a good level of debate on the human rights

[Catherine West]

questions, particularly the treatment of journalists, child labour and freedom of religious expression, but I would appreciate it if the Minister gave quite a bit of detail on the governance questions. I look forward to his response. I am keeping it nice and brief, as I am sure that the hon. Member for Beckenham would like to come back at the end.

2.14 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): It is a pleasure to serve under your chairmanship, Mr Davies. I wish you and hon. Members a happy new year. It is a real pleasure to respond to this debate on our relationship with the important country of Kazakhstan. I congratulate my hon. and gallant Friend the Member for Beckenham (Bob Stewart) on securing the debate. I am pleased to see the right hon. Member for Birmingham, Edgbaston (Ms Stuart) in her place. She is co-chair of the all-party group on Kazakhstan with Lord Astor. That is formidable cross-party representation and a reflection not only of the interests of Parliament, but of the bond between the two countries.

I pay tribute to the Kazakh ambassador, His Excellency Erzhan Kazykhanov. His hair went a little bit greyer, as did all of ours, in preparing for the presidential visit to this country and the Prime Minister's visit to Kazakhstan in 2013. Both visits were extremely successful and were examples of how our two countries are working together far more closely. I had the pleasure of visiting the country last September. As my hon. Friend the Member for Beckenham articulated, this landlocked country is the size of Australia—it is situated between Russia and China; it is where the apple is said to have originated and where horses are claimed to have first been domesticated; and it lived under the tsarist shadow and then the Soviet shadow—and there is no doubt that it is taking significant steps in becoming a regional and global power. The recent visit by the President is testament to the growing bond between our two countries. During my visit, the presidential visit here and the Prime Minister's visit in 2013, the hand of friendship has been clearly extended to Britain, and we should embrace it.

For people who have not been to the country and are not familiar with the region, the chances are that when they think of Kazakhstan, their thoughts might be out of date. It is a proud, rich and extremely large country that has escaped the shackles of its Soviet past and is modernising. It is confident and willing to do business with traditional trading partners in Moscow and newer partners such as China, south-east Asia, the west and Britain. Commercially and politically, the Kazakhstan of today is on the verge of becoming a significant player on the regional and international stage. It boasts, as we have heard, an impressive range of mineral wealth, from oil and gas to ferrous and non-ferrous metals, and a space launch facility, which a Briton has taken advantage of to get up into the International Space Station—I pay tribute to Tim Peake, who I had the pleasure of serving with in the Royal Green Jackets, and I hope that Members will wish him well.

The country has changed hugely, and when I visited the capital I saw that its skyline was akin to that of Dubai, with many of the skyscrapers designed by British

architects. Kazakhstan has also decided to fast-forward its integration into the international rules-based system on which the world's security and prosperity depend, reducing the role of the state in its economy through a substantial privatisation programme. Furthermore, the introduction of English contract law as part of the development of the Astana international financial centre makes the country one to watch—or, for someone in business, a country to consider visiting before being beaten to it by competitors in other countries.

Kazakhstan is about to become a member of the World Trade Organisation, and it aspires to membership of the G30 and the OECD in coming years. As has been mentioned, an enhanced partnership and co-operation agreement with the EU will shortly be concluded, enabling a broader and closer partnership.

Ms Gisela Stuart: I am grateful in particular for the Minister's comments about the WTO. Are contract law and WTO membership both things that will require anti-corruption measures to be addressed very seriously? We have a mutual interest in Kazakhstan meeting those requirements, which will also enable our companies to deal with the country.

Mr Ellwood: I absolutely concur that a strength of our relationship with Kazakhstan will be, with our experience, to encourage the country to sign those agreements and to engage with the international rules that will allow and encourage further commercial activity and the bond between our two countries. Only when businesses are confident that there is that positive and transparent environment will we be able to enhance the commercial relationship that the right hon. Lady is espousing.

I am grateful that the President was able to make his visit to the United Kingdom in November, which confirmed the UK as a partner of choice as he seeks to implement governance and rule of law reforms, in line with universal rights reforms as well. Another important element of our bilateral relationship, which I know is of particular interest to my hon. Friend the Member for Beckenham, is the military relationship, which he raised in relation to various matters. He articulated the need for political structures and mentioned President Nazarbayev's reforms, the challenges in doing business and our commercial and military relationships. I will address those one by one.

First, the success of any country relies on good governance and reform. While acknowledging the continuing challenges faced, we should recognise that Kazakhstan has made great efforts to improve its governance structures and engage accordingly as the best way to promote reform. In May, President Nazarbayev launched a far-reaching programme of reforms. These included changes to the legal system, the civil service, the economy, and public accountability. These will be implemented through his 100 concrete steps—essentially, milestones for each of the five reform areas that hon. Members have mentioned today.

I recognise, as other hon. Members did in their contributions, that although Kazakhstan has made real progress on its human rights record, there is further work to be done, in particular to avoid the risk that progress in one area might be offset by retrograde developments in others. We rightly have high expectations for a country that is a leader in the region and seeks a greater international role.

During the President's visit in November, the Prime Minister discussed Kazakhstan's progress on political and societal reform, including creating a more permissive environment for non-governmental organisations. The President outlined some of his thinking on the reform agenda and spoke of the creation of new structures designed to tackle corruption. For our part, we plan to invite Kazakh Government representatives to our anti-corruption summit in May. Our embassy in Astana is one of a small number that contribute to regular meetings of the Kazakh Investment Council, where transparency issues are discussed. Hon. Members will be pleased to hear that, on taxation, Her Majesty's Revenue and Customs is working hard on a revised double taxation agreement with the Kazakhs. Those discussions will be completed shortly.

On the commercial relationship, let me answer hon. Members' questions about where we stand on the various partnership deals since President Nazarbayev's visit to the UK last year. A wide variety of commercial memorandums of understanding were signed during the President's visit, ranging from joint exploration studies to the forming of a task force to facilitate new partnerships between Kazakh and UK companies in the oil and gas sector. The target is to form 10 to 15 new partnerships in the sector by 2017. We are working hard across Government to follow up swiftly. For example, in the gas sector, UK Trade & Investment is offering in-country assistance to the British company, Independent Power Corporation, to help to take forward its programme.

To provide the maximum support to British businesses, my right hon. Friend the Prime Minister has appointed Lord Astor as trade envoy for Kazakhstan, so he is not just co-chair. I pay tribute to Charles Hendry for the work he has done. He will now work with the country as it hosts EXPO 17 and will act as the commissioner for the United Kingdom. Both will play an active role in the UK's thriving bilateral relationship with Kazakhstan, and they are both planning to visit the country next month.

We will continue to support British businesses wanting to trade with Kazakhstan across sectors, from energy to infrastructure. The right hon. Member for Birmingham, Edgbaston commented on the falling oil prices. That underlines the need to not rely on hydrocarbons, but to diversify. As my hon. Friend the Member for Beckenham noted, the opportunities are many. For example, the two-way trade in the region is worth about £1 billion per annum. Over the next 10 years, expenditure on major new oil and gas developments in Kazakhstan is expected to exceed £60 billion. We want to be a part of this exciting investment. Indeed, the oil and gas programme is the highest grossing programme globally for UKTI, having already delivered £6.6 billion of business wins for the UK.

On military relations, the Ministry of Defence, through the defence attaché in Astana, has built an extensive network of contacts throughout the Kazakh armed forces. There have been reciprocal visits at the highest level of chiefs of defence staff, and a visit by the Kazakh Defence Minister in 2013. My hon. Friend the Member for Beckenham raised the issue of officer cadets from Kazakhstan being trained in the UK. Our MOD colleagues have been working hard on this. I am pleased to say that it is now making real progress and our embassy is currently following up with the Kazakhs.

The current focal point of defence engagement with Kazakhstan is the Steppe Eagle exercise, now in its 13th year, with the aim of developing the Kazakh forces' capabilities to deploy on peacekeeping missions, which my hon. Friend mentioned. In July 2016, it will take place in the UK for the first time, and we look forward to Kazakhstan taking part in its first UN peacekeeping role in the near future. Exercise Steppe Eagle is clear evidence of Kazakhstan's growing international ambitions and of the positive contribution it can make on the international stage.

Jim Shannon: Will the Minister give way?

Mr Ellwood: I am conscious of the time; I want to give a minute or two to the motion's proposer.

I want to come to the human rights matters, which are of interest to many Members. Human rights in Kazakhstan have not progressed at the speed and to the extent that we and others would have liked. When looking at human rights in Kazakhstan, we acknowledge that it is a relatively young country, only gaining full independence in 1989. However, progress has been made. For example, we have seen important progress on social and women's rights, as well as on torture prevention. The development of a national preventive mechanism against torture is a significant step that is starting to have real effect. The rights of children have improved and progress against human trafficking has been made. Dialogue between the Government and NGOs critical of their activities is gradually improving.

Jim Shannon: Will the Minister give way?

Mr Ellwood: I am afraid I cannot give way; there is not enough time.

Challenges remain, and, as I said earlier, there is a risk of advancements being made one way affecting efforts elsewhere. Time is against me; I will try to write to hon. Members if I have not answered their points. In conclusion, we have a deep and growing relationship and substantial mutual interests with Kazakhstan. These interests will not stop us raising sensitive issues, including corruption and human rights, as we would with any partner country. Kazakhstan's ambition to take on a wider regional and international role is also leading it to take on associated responsibilities. I acknowledge what my hon. Friend said about the UN Security Council seat. It is a prominent role, which we welcome. We of course do not declare our voting intentions to do with any country. I am grateful to my hon. Friend the Member for Beckenham for securing this debate and for the contributions that have been made. If I have not answered all the questions—I know there is one outstanding question to do with a particular case—I will write to hon. Members in due course.

2.28 pm

Bob Stewart: I want to thank some of my favourite Members of Parliament for turning up to support this debate. Kazakhstan is somewhere that matters a great deal. I am particularly grateful to the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) for saying that people matter just as much as Governments and we should do our best to get to grips with the people. I am very impressed, as always, by the right hon.

[Bob Stewart]

Member for Birmingham, Edgbaston (Ms Stuart), who always speaks so well and to the point. She made the point that democracy is not just about ballot boxes, but about a system, and I entirely agree with that. She was absolutely right about getting good governance in the financial system to spread the wealth of the country around.

My very good friend, the hon. Member for Strangford (Jim Shannon), raised the matter of persecution and human rights, and the 2.5 million Christians in the country. I hope that our debate today will help protect them.

The Front-Bench speakers were excellent too. I very much agree with the speech of the hon. Member for Glenrothes (Peter Grant). He said that it is not our country, but we can have a bit of influence—if we can—in that country. We all agree that a free press is important, and I subscribe to the view that we should try to encourage the country to use some of its wealth to increase life expectancy among its population.

2.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Tuesday 5 January 2016

TREASURY

ECOFIN: 8 December 2015

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): A meeting of the Economic and Financial Affairs Council was held in Brussels on 8 December 2015. Ministers discussed the following items:

Financial transaction tax

The member states that have agreed to participate in the financial transaction tax (FTT) provided an update on their progress. Estonia has stated it will not participate, reducing the number of member states involved to 10. I reiterated that the UK would not participate in the financial transaction tax and that the UK would oppose an FTT with extra-territorial effects that were detrimental to the interests of non-participating member states, including through a renewed legal challenge if necessary.

Common consolidated corporate tax base (CCCTB)

Following a presentation by the presidency on the state of play regarding the CCCTB proposal, the Council held an exchange of views.

Completing the banking union

The Commission gave a presentation on its proposal for a European deposit insurance scheme and its communication "Towards Completion of the Banking Union". This was followed by an exchange of views.

Current legislative proposals

The presidency updated the Council on the state of play of financial services dossiers.

Implementation of the banking union

The Commission gave an update on several dossiers linked to the banking union: the single resolution fund, the bank recovery and resolution directive and the deposit guarantee scheme directive.

Fight against the financing of terrorism

After taking note of a Commission presentation on the next steps to reinforce the European framework in the fight against terrorism, the Council held an exchange of views.

Future of the code of conduct (business taxation)

The Council adopted conclusions on the future of the code of conduct group on business taxation.

Base erosion and profit shifting (BEPS)

The Council adopted conclusions on base erosion and profit shifting (BEPS) in the EU context.

European semester

The Commission presented its annual growth survey, alert mechanism report and draft Council recommendation on the euro area. This was followed by an exchange of views.

Common position on flexibility in the stability and growth pact (SGP)

The Chair of the Economic and Financial Committee provided a debrief on the common position agreed with regards to flexibility in the SGP for short-term economic conditions, structural reforms and public investments. The Council took note of the agreement.

Statistics: EU statistics and implementation of the European statistics code of practice

The Council adopted conclusions on the annual statistical package following a Commission presentation on the implementation of the European statistics code of best practices.

European Court of Auditors' annual report on the implementation of the budget for the EU for the financial year 2014.

The European Court of Auditors (ECA) presented its report on the implementation of the 2014 budget followed by an exchange of views by the Council.

[HCWS445]

DEFENCE

Armed Forces Pay Review Body Recruitment

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): I am pleased to announce that I have appointed Lesley Mercer as a Member of the Armed Forces' Pay Review Body. Ms Mercer will begin her three year appointment on 1 March 2016. This appointment has been conducted in accordance with the guidance of the Office of the Commissioner for Public Appointments.

[HCWS444]

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council and General Affairs Council: 14 and 15 December 2015

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs attended the Foreign Affairs Council on 14 December. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. I attended the General Affairs Council, which was chaired by the Luxembourg presidency. The meetings were held in Brussels.

Foreign Affairs Council

A provisional report of the meeting and conclusions adopted can be found at:

<http://www.consilium.europa.eu/en/meetings/fac/2015/12/14/>

In her introductory remarks the HRVP shared her assessment of Bosnia and Herzegovina following the first Stabilisation and Accession Council of 11 December. Ministers also heard an assessment of the situation in

Burundi by the HRVP and the Belgium Minister of Foreign Affairs. The HRVP also touched on the successful outcome of the COP 21 conference in Paris and plans to schedule a discussion on climate diplomacy at a Foreign Affairs Council in the new year.

Eastern Partners

Ministers had an exchange on political developments in the eastern partner countries, with HRVP and Commissioner Hahn outlining the challenges regarding the eastern partners. There was a general consensus behind the principle of developing differentiated approaches in line with the review of the European neighbourhood policy. A discussion is likely on Ukraine at the January Foreign Affairs Council.

Counter-terrorism

Ministers reaffirmed the relevance of the February Council conclusions in shaping EU external counter-terrorism action. HRVP made clear that the EU's policy framework was valid and the focus must be on prioritisation and implementation. The Foreign Secretary underlined that national security was the responsibility of member states, but actions should be co-ordinated to maximise effectiveness.

Informal lunch with Turkish Foreign Minister

Ministers had an informal exchange of views with the Turkish Foreign Minister focusing on regional issues and counter-terrorism co-operation. A high-level dialogue meeting, with the participation of the HRVP and the Commission, will be held in Ankara in January 2016.

Libya

Ministers heard a briefing by the UN SRSK Kobler on the Libyan political dialogue and the outcomes of the Rome conference. Ministers reconfirmed their support to the UN-led process, including the formation of a Government of national accord in Libya and pledging economic and security support to help stabilise the country.

Ministers agreed without discussion a number of measures:

The Council adopted conclusions on the European neighbourhood policy.

The Council adopted conclusions on Iraq.

The Council adopted conclusions on the special report entitled "EU support for the fight against torture and the abolition of the death penalty".

The Council adopted conclusions on the 2015 annual report on the EU's development and external assistance policies and their implementation in 2014.

The Council adopted conclusions on the special report entitled "The ACP Investment Facility: does it provide added value?"

The Council set a new financial reference amount of €43.65 million to cover expenditure related to the EU police mission in Afghanistan (EUPOL Afghanistan) from 1 January 2016 to 31 December 2016.

The Council decided to lodge an appeal against the judgement of the EU General Court annulling Council decision 2012/497/EU on the conclusion of an agreement between the EU and Morocco concerning reciprocal liberalisation measures on agricultural products, in so far as it applies to the territory of western Sahara.

General Affairs Council

A provisional report of the meeting and conclusions adopted can be found at: <http://www.consilium.europa.eu/en/meetings/gac/2015/12/15/>

The General Affairs Council (GAC) on 15 December focused on: the inter-institutional agreement on better regulation; the 18-month programme of the Council; preparation of draft conclusions for the European Council on 17 and 18 December 2015; the enlargement and stabilisation and association process; and the European semester.

Inter-institutional agreement on better regulation (IIA)

The GAC discussed the preliminary agreed text of the inter-institutional agreement on better regulation, circulated by the Luxembourg presidency on 8 December. I welcomed the focus on impact assessments, SMEs and the "Think Small First" principle, and the consultation of national experts on delegated acts. I registered that the UK was not in a position to endorse the political agreement, due to our outstanding parliamentary scrutiny on the dossier.

18-month programme of the Council

The GAC endorsed the 18-month programme of the Council for the period from 1 January 2016 to 30 June 2017, drawn up by the Dutch, Slovak and Maltese EU presidencies.

Preparation of the December European Council

The GAC prepared the agenda for the 17 December European Council, which the Prime Minister attended. The December European Council discussed migration, the fight against terrorism, economic and monetary union, the internal market, energy union and the UK's EU renegotiation. The European Council also considered external relations issues, including Syria and Libya.

At the GAC, I emphasised that the Prime Minister was looking forward to a substantial discussion on the UK's EU renegotiation at the December European Council.

Enlargement and stabilisation and association process

The UK continues to be a strong supporter of conditions-based EU enlargement, which has helped bring peace, prosperity and stability across the continent of Europe. We continue to support the future EU membership of all of the western Balkans and Turkey, provided EU aspirant countries meet all the requirements of membership before accession.

I broadly welcomed the enlargement conclusions and congratulated Commissioner Hahn for his engagement in the region. I made clear that I would have liked to have seen in the conclusions a stronger commitment for the EU institutions to do more on strategic communications in the western Balkans.

I expressed my concerns about the 10 December decision by the Republika Srpska (RS) Government to suspend co-operation with the state-level judicial and law enforcement authorities in Bosnia and Herzegovina (BiH). I set out that political obstacles needed to be removed, including threats of unconstitutional referendums, which challenged the Dayton agreement and its core

structures. I also expressed concern about the ongoing political situation in Kosovo and highlighted the importance of Kosovo having a clearer EU perspective.

2016 European semester annual growth review

The Commission presented the 2016 annual growth survey (AGS) to the GAC which focuses on the key themes in President Juncker's investment plan. The Commission proposed to pursue an integrated approach to economic and social policy in 2016, centred around three pillars: boosting investment, pursuing structural reforms to modernise European economies and pursuing fiscal responsibility. The UK supports the Commission's headline priorities for promoting jobs and growth.

[HCWS446]

HEALTH

Pharmaceutical Price Regulation Scheme

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): My hon. Friend the Parliamentary Under-Secretary of State (Lord Prior of Brampton) made the following written statement on 21 December 2015.

I am announcing today the level of payment due from members of the Pharmaceutical Price Regulation Scheme (PPRS) in 2016 to keep health service spend on branded medicines within the levels agreed under the Scheme. The PPRS payment percentage for 2016 will be 7.80%.

The PPRS allows patients access to the medicines they need while maintaining affordability for the NHS and providing stability for industry in support of the Government's innovation and growth agenda. There is an agreed, fixed limit on the majority of NHS spend on branded medicines with additional expenditure above this level paid for by the pharmaceutical companies. The agreed growth limit in both 2014 and 2015 was 0%. Annual growth will be limited to 1.8% in 2016, 1.8% in 2017 and 1.9% in 2018. Small companies with less than £5 million of sales a year to the health service are exempted.

The Government welcome the pharmaceutical industry's agreement to increase its payments to the Department of Health in 2016 compared to the amount agreed in the amendment to the Pharmaceutical Price Regulation Scheme (PPRS) published in August 2015. This supports the Government's NHS funding commitment made at the spending review to deliver the Five Year Forward View. This represents a payment of monies that would have been due in 2017 and 2018 under the PPRS and will support industry and Government efforts to improve patient access to new clinically and cost-effective medicines.

The Department has published a document setting out further details entitled "Pharmaceutical Price Regulation Scheme 2014: revised forecasts and profile of payment percentages at December 2015".

It is also available online at: <http://www.parliament.uk/writtenstatements>.

[HCWS447]

PRIME MINISTER

Machinery of Government: Fire and Rescue Policy

The Prime Minister (Mr David Cameron): This written ministerial statement confirms that ministerial responsibility for fire and rescue policy will transfer from the Department for Communities and Local Government to the Home Office. This change will be effective from today, 5 January 2016.

[HCWS448]

TRANSPORT

British Road Safety Statement

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): My noble Friend, the Parliamentary Under Secretary of State for Transport (Lord Ahmad of Wimbledon) made the following ministerial statement on Monday 21 December 2015.

The Government are committed to investing in national road safety; this is not solely because of the tragic human consequences of road deaths and injuries. Safer roads and safer road users save lives, but they also help to reduce pressure on the NHS and emergency services, keep traffic moving and, as a result, keep our economy growing.

My hon. Friend, the Parliamentary Under Secretary of State for Transport, Andrew Jones, is today publishing a road safety statement that sets out the Government's vision, values and priorities for improving the safety of Britain's roads. This statement describes the context of road safety in Britain today and the overarching scope of road safety activity for the Government. It will be followed by consultations on specific issues as options are developed. The statement covers road safety policy within Britain as governed by the Department for Transport (DfT).

In the short and medium term, the main specific actions that we will take include:

Outlining our proposals on dangerous in-car mobile phone use, reported by the RAC as being one of motorists' top concerns, with a view to increasing penalties for drivers using a hand-held mobile phone. This road safety statement will be followed shortly by a more detailed consultation and impact assessment on this topic. The increases proposed are:

that the vast majority of first time offenders will not incur a fixed penalty notice or penalty points but will instead be offered an educational course. Whether to invite a motorist to a course is at the discretion of the police;

for the majority of vehicles (cars, vans, motorbikes), an increase from the current three penalty points to four;

an increase in the level of the fixed penalty notice from the current £100 to £150;

more significant penalties for larger vehicles, such as HGVs, where the consequences of a collision can be much more severe, so that the penalty points increase from the current three to six.

A £750,000 grant in 2015/16 for police forces in England and Wales to build drug-driving enforcement capability, consulting on options for a drug-drive rehabilitation scheme course and a High Risk Offenders regime for drug-drivers;

Consulting on legislative changes to improve urban cycle safety by ensuring that sideguards and rear under-run devices are not removed from HGVs but remain permanently fitted;

Consulting on proposals to support safety for motorcyclists, who account for 19% of all road deaths, including better training and improved safety equipment;

Consulting on ways to incentivise and reward the uptake of more pre-test practice, as announced in our Motoring Services Strategy consultation^[1] on 13 November, and a broader range of real-world driving experiences, including deregulating to allow Approved Driving Instructors with dual-controlled cars to offer lessons on motorways to learner drivers;

Undertaking a £2 million research programme to identify the best possible interventions for learner and novice drivers; and

Undertaking a road safety management capacity review, to identify areas for improved joint working, local innovation and efficiency.

A copy of the Road Safety Statement will be placed in the House Libraries and will also be available on the Government website: www.gov.uk.

^[1] Motoring Services Strategy consultation. Department for Transport, published November 2015.

[HCWS443]

Petitions

Tuesday 5 January 2016

OBSERVATIONS

ENERGY AND CLIMATE CHANGE

Climate Change

The petition of residents of the UK,

Declares that more action needs to be taken by the UK Government to address the threat of global warming; and further that steps should be in place to promote the use of renewable energy as part of a wider strategy to tackle climate change before the problem gets worse.

The petitioners therefore request that the House of Commons urges the Government to implement a comprehensive energy strategy that will address the threats of climate change, both here in the UK and abroad.

And the Petitioners remain, etc. —[*Official Report, 19 October 2015; Vol. 600, c. 7P.*]

[P001550]

Observations from the Minister of State, Department of Energy and Climate Change (Andrea Leadsom); received 18 December 2015:

The Government have set out clear strategic priorities for Energy and Climate Change policy for this Parliament. These are:

- secure energy so people can get on with their lives and businesses can plan for the future;
- affordable energy so bill payers get a good deal; and,
- clean energy to safeguard the country's future economic security and ensure we meet our climate change commitments.

The Secretary of State for Energy and Climate Change has outlined a range of initiatives to deliver on these priorities by developing an energy system that puts consumers first, delivers more competition, reduces the burden on bill payers and ensures enough electricity generation to power the nation.

A cornerstone of our new energy strategy is the planned consultation to close all unabated coal-fired power stations by 2025, and restrict their use from 2023. This is significant as even with the huge growth in renewables over the past decade our dependence on coal has not reduced. Indeed a higher proportion of our electricity came from coal in 2014 than in 1999. If the UK takes this step we will be one of the first developed countries to deliver on a commitment to take coal off the system.

New nuclear power stations will also have a central role to play in Britain's energy future as a means of providing low carbon generation. We are dealing with a legacy of under-investment and with Hinkley Point C planning to start generating in the mid-2020s, this is already changing. There are also plans for new nuclear stations at Wylfa and Moorside and the Government will explore new opportunities, like Small Modular Reactors, which hold the promise of low cost, low carbon energy.

Renewable energy sources have increased dramatically over the past decade. In 2005 just 1.3% of UK final energy consumption originated from renewables. That has increased to 7.0% in 2014. Renewable electricity generation is driving that change, and in 2014 almost

20% of electricity generated in the UK was from renewable sources. With the current pipeline of projects, we are confident of achieving our ambition of 30% renewable electricity by 2020.

This deployment has led to some significant cost reductions. For example, the cost of solar has fallen by 60% since 2010. At the same time, some technologies have deployed at a fast rate. For example, with existing and planned future onshore wind projects the UK will be within the 11-13 GW range for 2020.

Some renewable technologies will continue to require Government support as costs fall. The Government have announced their intention to hold three auctions this Parliament, provided that the offshore wind industry meets conditions on cost reduction.

On the use of renewables in transport, the Government have taken a whole system approach to decarbonising the sector—promoting electrification alongside controlled biofuel deployment to maximise carbon reduction whilst continuing to make progress towards EU targets. To date this has included a £500 million commitment to make ultra-low emission vehicles more accessible to families and businesses and a requirement on fuel suppliers to ensure that 4.75% of transport fuels are sustainable biofuels.

Alongside this progress in developing renewable electricity and transport, the Government have announced a substantial increase in support for renewable heating. This will see funding for the world-first renewable heat incentive reaching £1.15 billion in 2020-21, as well as a commitment to spend an additional £300 million over the next 5 years on heat infrastructure, such as local heat networks.

As the petitioners note, climate change represents a significant threat to the welfare of the planet. As a country we have set ourselves the ambitious goal, one of the toughest in the world, of an 80% emissions reduction by 2050. Progress to date has been strong and emissions were 30% lower in 2013 than in 1990. The actions outlined above in the energy sector will help us achieve this goal, and we will bring forward plans in 2016 for Carbon Budgets four and five—the interim steps on the way to 2050.

However collective, global action is required to address climate change, not just activities in one country. That is why achieving a global deal at the on-going climate talks in Paris was so important. To this end, the Government have also increased by 50% the funding provided to help the most vulnerable countries protect themselves from the effects of climate change. This £5.8 billion from April 2016 to March 2021 will help countries reduce their emissions as well as adapt to the weather extremes and rising temperatures associated with climate change. Alongside this funding, the most important task for the UK is providing a compelling example to the rest of the world of how to cut carbon while controlling costs.

HOME DEPARTMENT

Overseas doctors and nurses

The petition of the people of Stoke-on-Trent,

Declares that we object to overseas doctors and nurses being forced to leave the UK after a six year period if their pay is below the amount stipulated by the government

given that we the taxpayers have paid for additional training for these doctors and nurses and our NHS is at risk of collapse through staff shortages.

The petitioners therefore urge the House of Commons to reverse this policy.

And the Petitioners remain, etc.—[Presented by Robert Ffello, *Official Report*, 16 September 2015; Vol. 599, c. 1156.]

[P001543]

Observations from the Minister for Immigration (James Brokenshire); received 22 December 2015:

The Government believe that in the past it has been too easy for employers to bring in workers from overseas rather than to take the long-term decision to train our workforce here at home. The Prime Minister has said that we need to do more to change that, which includes reducing the demand for migrant labour. We do not believe that it is sensible to rely on recruiting doctors and nurses from overseas, and the long-term aim is that we train our own staff in this country.

There will be a £10 billion real terms increase in NHS funding in England between 2014-15 and 2020-21. The Department of Health will reform the funding system for health students by replacing grants with student loans and abolishing the cap on the number of student places for nursing, midwifery and allied health subjects, enabling the provision of up to 10,000 additional nursing and health professional training places this Parliament. We are also investing in return to practice programmes and improving retention of existing staff. Health Education England forecast that more than 23,000 additional nurses will be in place by 2019. By 2021 there will be an extra 5,000 doctors in general practice.

As an interim measure, the Home Secretary has agreed, exceptionally, to place nurses on the shortage occupation list (SOL) pending a full review by the independent Migration Advisory Committee. This means that nurses will be prioritised for allocation of places within the annual limit of 20,700 places for non-EEA nationals admitted to the UK under Tier 2 (General)—the visa route for skilled workers.

From 2016, non-EEA workers will need to earn a salary of at least £35,000 to remain in the UK for longer than six years. However, as workers are exempt from the settlement pay threshold if they are in a role that is or has been on the shortage occupation list at any time while they have been sponsored to do that role, all nurses currently sponsored in Tier 2 will be exempt from the £35,000 threshold when they apply for settlement.

Several types of doctor, including those working in emergency medicine, are also recognised shortage occupations and will be exempt from the £35,000 settlement pay threshold. For those doctors in a role that has not been in shortage, we would expect the minimum earnings threshold to be achievable within the maximum six years' leave that they may spend in the UK on a Tier 2 (General) visa.

For the future, the Government intend that employers should only bring in workers from outside Europe where we have genuine skills shortages or require highly-specialised experts. The Migration Advisory Committee has been asked to advise on how to achieve this, but with sufficient flexibility to include high value roles and key public service workers. The Committee is looking at selection criteria such as, but not limited to, salaries, particular attributes, economic need and skills level and we await their report with interest.

Ministerial Corrections

Tuesday 5 January 2016

BUSINESS, INNOVATION AND SKILLS

Higher-level Skills

The following is an extract from Questions to the Secretary of State for Business, Innovation and Skills on 15 December 2015.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Further education colleges are vital for apprenticeships in engineering and construction, in which there is an acute shortage of skills across the country. What assessment has the Secretary of State made of the cuts in funding to FE colleges in terms of delivering this much-needed agenda?

Sajid Javid: I am surprised that the hon. Gentleman is talking about cuts in FE spending. I know that is what Labour was scaremongering about just a few weeks ago, but we have actually protected the adult education budget in cash terms, we will double spending on apprenticeships by 2020 and we have extended the availability of advanced learner loans. Taken together, this will mean a 35% real increase in FE spending by 2020 compared with this year.

[Official Report, 15 December 2015, Vol. 603, c. 1383-4.]

Letter of correction from Sajid Javid:

An error has been identified in the response I gave to the hon. Member for West Bromwich West (Mr Bailey) during Questions to the Secretary of State for Business, Innovation and Skills.

The correct response should have been:

Sajid Javid: I am surprised that the hon. Gentleman is talking about cuts in FE spending. I know that is what Labour was scaremongering about just a few weeks

ago, but we have actually protected the adult education budget in cash terms, we will double spending on apprenticeships by 2020 and we have extended the availability of advanced learner loans. Taken together, this will mean a **30% real increase** in FE spending by 2020 compared with this year.

Adult Skills (Funding)

The following is an extract from Questions to the Secretary of State for Business, Innovation and Skills on 15 December 2015.

7. Barbara Keeley (Worsley and Eccles South) (Lab): What steps he plans to take to make the efficiencies and savings in adult skills set out in the “Spending Review and Autumn Statement 2015”. [902704]

The Minister for Skills (Nick Boles): We are protecting funding for adult education at £1.5 billion per year in cash terms. We are extending advanced learner loans to more adult learners and increasing spending on adult apprenticeships to £1.5 billion by 2019-20. As my right hon. Friend the Secretary of State says, this means that total funding for adult skills training will be 36% higher in the last year of this Parliament than in the first.

[Official Report, 15 December 2015, Vol. 603, c. 1390.]

Letter of correction from Nick Boles:

An error has been identified in the response I gave to the hon. Member for Worsley and Eccles South (Barbara Keeley) during Questions to the Secretary of State for Business, Innovation and Skills.

The correct response should have been:

The Minister for Skills (Nick Boles): We are protecting funding for adult education at £1.5 billion per year in cash terms. We are extending advanced learner loans to more adult learners and increasing spending on adult apprenticeships to £1.5 billion by 2019-20. As my right hon. Friend the Secretary of State says, this means that total funding for adult skills training will be **30% higher** in the last year of this Parliament than in the first.

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