

Tuesday  
12 January 2016

Volume 604  
No. 95



**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Tuesday 12 January 2016**



# House of Commons

*Tuesday 12 January 2016*

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

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### FOREIGN AND COMMONWEALTH OFFICE

*The Secretary of State was asked—*

#### European Union

1. **Angela Rayner** (Ashton-under-Lyne) (Lab): What discussions he has had in the Council of the EU as part of negotiations on the UK's membership of the EU on free movement of people in the EU and access to in-work benefits. [902963]

2. **Mr David Hanson** (Delyn) (Lab): What discussions he has had in the Council of the EU on the Prime Minister's letter dated 10 November 2015 to the President of the European Council as part of negotiations on the UK's membership of the EU. [902964]

13. **Mr David Nuttall** (Bury North) (Con): What progress the Government has made on the renegotiation of the UK's terms of membership of the EU. [902975]

14. **Damian Green** (Ashford) (Con): What progress has been made on negotiations to reform the EU and the UK's relationship with it. [902976]

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond):** Before I answer, let me take a few seconds to update the House on the breaking news from Istanbul, where an explosion has occurred in the Sultanahmet area, killing at least 10 people, with many more injured. This is a tourist area of the city and we already know that some tourists are involved in this incident. We are seeking to verify whether any British nationals are involved, and if we get any news on that in the course of the next hour, I will update the House accordingly. In the meantime, I offer my sympathies to the victims, their families and everyone else affected by the attack. [HON. MEMBERS: "Hear, hear."]

The Government are negotiating reform of the European Union and a new relationship for Britain with the European Union to fix the aspects of our membership that cause so much frustration in Britain. Following a substantive and constructive discussion at the December European Council, member states agreed to work towards mutually satisfactory solutions at the February European Council.

**Angela Rayner:** I echo the Secretary of State's sentiments regarding the situation in Istanbul. Does he accept that the Government's failing negotiations will put at risk British jobs, employments rights, opportunities for my constituents to work abroad and ultimately the economic growth that the Government have promised? If the Prime Minister is getting nowhere in these talks, how on earth will he get on in the negotiation that he is really thinking about—the one with his own Back Benchers?

**Mr Hammond:** On the contrary—a successful negotiation will set the EU on a clear course to create jobs and economic growth and to ensure Europe's competitiveness in the future, and a referendum settling the question of Britain's membership of a reformed European Union for the future will allow Britain to exploit to the full the opportunities that membership of such a Union will offer.

**Mr Hanson:** The letter of 10 November is clear. It is also clear that whatever the outcome of the discussions on that letter, none of the situations set out in that letter are deal-breakers for the Prime Minister. At the end of the day he will recommend a yes vote and a referendum. Why does he not get on and do it now, set a date, face up to his Back Benchers and promote the European Union for the good of Britain?

**Mr Hammond:** The Prime Minister has been clear throughout that once we have an agreed deal, he will make a recommendation based on his assessment of the best interests of Britain. That is what drives him; that is what will determine the recommendation he makes.

**Mr Nuttall:** Many people are suspicious about the seriousness of this renegotiation when three of the so-called demands were accepted without any negotiation at all. Why, for example, did the Government bother to ask for a cut in red tape and for more competitiveness when the European Council has made it clear—in European Council after European Council in recent years—that that is exactly what it intended to do anyway?

**Mr Hammond:** It is true that we have seen, particularly under the present Commission, some very welcome moves to address some of the measures that make the European Union increasingly uncompetitive in the global market. But we are not seeking to get a political fix by one Commission: we are looking for an institutional restructuring that cements these arrangements for the future to ensure that the direction of travel remains one that the British people can be comfortable with and that will benefit the British economy and this country for the future. That is what we are going to do.

**Damian Green:** All four of the Prime Minister's demands in these negotiations are important, but making sure that we as a country continue to enjoy the full benefits of the single market without being a member of the eurozone is clearly vital for millions of British jobs. Does my right hon. Friend agree that this is the key area for measuring the success of the negotiations, and can he update us on progress on that?

**Mr Hammond:** My right hon. Friend will know, and opinion polling shows, that many people in this country regard the question of migration and access to welfare

benefits as the key area, but my right hon. Friend makes an extremely important point. All our European Union partners, inside the eurozone and outside, recognise that that issue has to be addressed. As the eurozone integrates, as we believe it will have to do to be a success—and we very much want it to be a success—the interests of those European Union members not inside the eurozone must be protected. Only if we can be confident that those interests will be protected can we welcome the integration of the eurozone countries to protect their interests and the interests of the euro in a way that will not damage ours. So I agree that it is an absolutely vital area.

**Alex Salmond** (Gordon) (SNP): The thoughts of everyone on these Benches will obviously be with those caught up in the incident in Istanbul.

As I understand it, the Prime Minister has called for a “united, harmonious and mutually respectful” debate within the Conservative party on the issue of Europe. In a united, harmonious and mutually respectful way, may I ask the Foreign Secretary to confirm that a referendum could not be held within six weeks of the date of the Scottish, Northern Irish, London and Welsh elections? If it were, that would be disrespectful to both the decision of this House and the people engaging in those elections.

**Mr Hammond:** As the right hon. Gentleman knows, that is not what the Bill provides for. But given the timescales involved and the fact that we now expect the conclusion to be reached at the February European Council, I think he can be confident that it will not be possible to hold a referendum before the date of the Scottish elections that he referred to.

**Alex Salmond:** I put it to the Foreign Secretary that if the referendum were held within six weeks after the date of the elections, the two campaign periods would intersect, with all the complications that would arise. Therefore I ask him again: will the date of the referendum be at least six weeks after the date of the Scottish, Welsh and Northern Irish elections?

**Mr Hammond:** What I am trying to convey to the right hon. Gentleman is that that is not what the Bill provides for; the Bill does not place any prohibition on a referendum being held in that period. Ultimately, however, the decision will be made by this House because the date will be decided by a statutory instrument brought before the House.

**Daniel Kawczynski** (Shrewsbury and Atcham) (Con): I hope that the Foreign Secretary is aware that the overwhelming majority of the 800,000 Poles working in this country have come to work. They pay miles more in income tax than they claim in benefits. Can we get back to real, constitutional renegotiations that affect the sovereignty of this country rather than the fixation of the media on in-work benefits?

**Mr Hammond:** We are elected to, and have to, address the concerns of the British people, and there are four areas on which we need to make progress with our European Union partners. One is migration and access to welfare benefits, but the others—ensuring that the EU is competitive, that there is a proper mechanism for

the repatriation of powers to the member states, and that the relationship between the euro and non-euro countries is properly regulated to protect the interests of the non-euro countries—are also very important. I agree with my hon. Friend that we have to make progress on all four.

**Mr John Spellar** (Warley) (Lab): May I, through the Secretary of State, thank the Europe Minister for meeting an MPs’ delegation yesterday on the plight in Portugal of Paramjeet Singh, and for his efforts to date? As the case in Portugal moves to the political, ministerial stage, will the Foreign Secretary say how our Government hope to take the matter forward?

**Mr Hammond:** We are following the case closely and we have already made the Portuguese authorities aware of Mr Singh’s asylum status in the UK. India has not yet presented Portugal with a formal request for extradition, and as such we are not aware of the full details of the charges that he faces in India. We will continue to monitor Mr Singh’s case and will make a decision on further action when all the facts are available. Ultimately, however, it is the Portuguese authorities that have jurisdiction in Mr Singh’s case and will decide whether or not to extradite him to India.

**Mark Field** (Cities of London and Westminster) (Con): One area not raised in the letter of 10 November was that of national security. Would the Foreign Secretary like to tell us a little about that issue and how important ensuring that proper national security is maintained will be in relation to our remaining a member of the European Union?

**Mr Hammond:** As my right hon. Friend knows, national security is reserved to the member states and we regard it as very important that that should remain the case. However, there is a tension because national security interacts with many other agendas where the European Union does have competence—for example, around the regulation of telecommunications. Ensuring that that balance is maintained correctly, and that the crucial national security interests of the member states cannot be interfered with by the European Union, remains one of our priorities in the negotiations.

**Pat Glass** (North West Durham) (Lab): May I first thank the Secretary of State for the update on the situation in Istanbul? Of course, our thoughts are with anyone caught up in this awful situation.

Those campaigning to leave the European Union have made much of the unrealistic argument that Britain can simply walk away and magically retain trade agreements that are in place precisely because we are a member of the EU. What assessment has the Secretary of State made of the impact on British industry and British business of Britain having no say in future EU regulations that we will almost invariably be required to comply with? In other words, what will “out” look like for British industry and British jobs?

**Mr Hammond:** Let me first welcome the hon. Lady to her position on the Front Bench. Indeed, let me welcome all the new members of Labour’s Front Bench team, across the party. Let me also pay tribute to the former shadow Minister for Europe, the right hon. Member for

Wolverhampton South East (Mr McFadden). It is a sad indictment of today's Labour party that people get sacked for refusing to excuse the actions of terrorists who murder innocent people and threaten our way of life.

We are clear that Britain benefits from access to the single market. If Britain voted to leave the European Union, we could not be guaranteed continued access to the single market. Britain benefits from the free trade agreements that have been negotiated by the European Union with third countries. We could not guarantee that renegotiating such agreements with the United Kingdom would be a priority for all those third countries if we were outside the European Union. But in the end, this is a balancing act. A proper calculation has to be made between the costs and the benefits of membership. What we are trying to do in this negotiation is decisively to alter the balance in favour of British membership so that we can convince the British people that that is the right future for Britain.

### Kamal Foroughi

3. **Oliver Dowden** (Hertsmere) (Con): What recent representations he has made to the Iranian Government on the case of Mr Kamal Foroughi. [902965]

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood)**: As my hon. Friend is aware, Iran does not recognise dual nationality, so we have not been granted the normal consular access to Kamal Foroughi. We continue to raise the case of Mr Foroughi's detention at the highest levels, including representations from me and the Foreign Secretary, as well as the Prime Minister.

**Oliver Dowden**: Mr Foroughi is now 76 years of age, and there are serious concerns about his health, including the possibility that he may be suffering from cancer. Will the Minister update the House on what steps the Foreign Office has taken to promote Mr Foroughi's wellbeing during his detention at Evin prison?

**Mr Ellwood**: I am grateful to my hon. Friend for organising a meeting in December with his constituent, Mr Foroughi's son. We certainly share the family's concerns for Mr Foroughi's health. The case was raised most recently on 22 December by our chargé d'affaires with the deputy secretary-general of the Iranian High Council for Human Rights. I hope to visit the country soon. The Foreign Secretary and I will continue to make the case for clemency, but also for consular access.

### Syria

4. **Victoria Prentis** (Banbury) (Con): What diplomatic support the Government are providing to the countries surrounding Syria to help displaced people. [902966]

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond)**: The UK has provided £559 million to help the 4.6 million Syrian refugees in neighbouring countries. I will visit Turkey later this week, and my right hon. Friend the Secretary of State for International Development will visit Jordan and Lebanon, in both cases to discuss the conference on supporting Syria and the region that we will co-host

with Kuwait, Germany, Norway and the United Nations in London early next month. The purpose of that conference is to secure significantly greater international support for Syria and for the refugee host countries.

**Victoria Prentis**: Does my right hon. Friend agree that the UK can be proud of the response to the UN appeal for aid for those suffering in Syria? That includes, if I may say so with you in the Chair, Mr Speaker, the response of many Members of this House, including you, to my own Singing for Syrians initiative—

**Michael Fabricant** (Lichfield) (Con): Give us a song!

**Victoria Prentis**: I will not give the House a song, but I might be able to give the final figure at some time in the next few weeks.

Does my right hon. Friend agree that other countries should follow our lead?

**Mr Hammond**: Yes, and I very much welcome my hon. Friend's Singing for Syrians initiative. That and initiatives like it show an extraordinary solidarity with the Syrian refugees. Yes, other countries should do more. The UK is the second largest donor to the Syrian humanitarian crisis, after the United States. We can be incredibly proud of that record. I am also proud that the Syrian conference we will hold on 4 February will not just ask people to pledge additional money. We will go to the conference with innovative ideas, worked out with the Governments of Jordan and Turkey, to allow refugees proper access to the workplace in their host countries and to healthcare and education in a way that provides holistic support for those refugees, not just a UN handout.

**John Woodcock** (Barrow and Furness) (Lab/Co-op): Of course, there would be fewer displaced people to Syria's neighbours if Russia stopped its despicable bombing of civilians. Has the Foreign Secretary had a chance to confirm reports that on Saturday the Syrian Emergency Task Force's humanitarian headquarters in the city of Idlib were bombed by Russia, and what representations can the UK make on that?

**Mr Hammond**: We make regular representations to the Russians, first about the indiscriminate nature of their bombing, including the bombing of civilian areas, and secondly about the fact that they are still, for the overwhelming majority of their airstrikes, targeting the moderate opposition fighting the Syrian regime, not Daesh.

**Nusrat Ghani** (Wealden) (Con): Stability in Syria and the region requires the removal of Daesh. Will the Secretary of State join me in congratulating the Iraqi forces on the recent liberation of Ramadi, and when will he hold the next counter-ISIL/Daesh coalition meeting?

**Mr Hammond**: I join in the congratulations to the Iraqi armed forces on their achievement in liberating Ramadi. It is but one step in a challenging process of ridding Syria of the evil of Daesh, but we will support the Iraqi Government and the Iraqi armed forces in that endeavour.

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): Yesterday the Secretary of State for International Development confirmed that yesterday marked the first time that food aid could be provided via convoy to the people of Madaya, as agreed with the Syrian regime. I have read newspaper reports today that there was a food aid delivery last October. Could the Foreign Secretary confirm the number of occasions the United Nations has requested humanitarian aid from the UK Government in relation to Madaya and how many times we have responded positively to such a request?

**Mr Hammond:** My right hon. Friend the Secretary of State for International Development made a statement on that issue yesterday. The specific question asked is properly an issue for her Department, so I will ask her to write to the hon. Lady. What I can say to the House is that the use of starvation as a tool of warfare is illegal in international law—it is a breach of international humanitarian law—and we have made that point repeatedly to the Syrian regime and to the Russians.

**Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): There are currently some 16,000 refugees on the Syrian side of the Jordanian border, and Jordan has offered to help with their dispersal. Could the Foreign Secretary update us on what support we are giving to the Jordanians?

**Mr Hammond:** We are helping and supporting the Jordanians with the Zaatari refugee camp. As I have said, my right hon. Friend the Secretary of State for International Development will be in Jordan later this week, discussing that, among other issues. There has been an upsurge in fighting in the southern area of Syria, with Syrian Government troops, supported by Russian airstrikes, becoming active in a part of the theatre that has been quiet for quite a long time. That is deeply destabilising for Jordan and puts at risk the possibility of supporting the refugees to whom the right hon. Lady refers.

## Ukraine

5. **Jason McCartney** (Colne Valley) (Con): What recent assessment he has made of the political situation in Ukraine and the prospects for full implementation of the Minsk agreements. [902967]

**The Minister for Europe (Mr David Lidington):** Ukraine is facing multiple challenges, both over domestic reform and the security situation in the east. We believe that the full implementation of the Minsk agreement remains the best chance of achieving a peaceful solution in Donbass, and we will continue to press all parties, especially Russia, to do more to meet those commitments.

**Jason McCartney:** I celebrated Ukrainian Christmas with Huddersfield and Colne Valley's Ukrainian community over the weekend. We enjoyed holubchi, varenyky and borscht. Understandably, the community is very concerned about the situation in Ukraine. Will the Minister continue to do everything he can to implement the ceasefire, the withdrawal of heavy weapons and the return of democracy to Ukraine?

**Mr Lidington:** The need for the implementation of the ceasefire and the withdrawal of weapons were among the issues on which I pressed the Russian authorities in

my meetings with First Deputy Foreign Minister Titov in Moscow just before Christmas 2015. I reiterated in my meeting yesterday with the Mayor of Lviv, Mr Sadovy, the United Kingdom's commitment to the independent sovereignty and territorial integrity of Ukraine.

**Conor McGinn** (St Helens North) (Lab): Under the Minsk agreement, the Organisation for Security and Co-operation in Europe is charged with monitoring ceasefire arrangements and weapons withdrawal. When did the Minister last meet the OSCE on this issue, and what is his assessment of its most recent report?

**Mr Lidington:** I last discussed those points directly with Michael Link, the director of the OSCE Office for Democratic Institutions and Human Rights, at the OSCE ministerial meeting in mid-December. The OSCE is doing a heroic job, with its monitors sometimes under direct personal threat from the continued fighting in the Donbass. It does not yet have access, to which it is entitled, to the whole of the Donbass, and we continue to press the Russians to use their influence over the separatists to allow the OSCE to carry out its mission fully.

**Mr Jonathan Djanogly** (Huntingdon) (Con): Will my right hon. Friend confirm that, in any discussions the Government have with Russia in relation to Syria, Ukraine will not be used as a bargaining chip and our desire to see Russia and its arms out of Ukraine will remain undiminished?

**Mr Lidington:** I can give my hon. Friend an unqualified assurance on that point. We will continue to talk to Russia about Syria and other matters, but we are absolutely clear that there is no trade-off between any agreement over Syria and our resolute support for Ukraine's sovereignty and territorial integrity.

**Sir Gerald Howarth** (Aldershot) (Con) *rose*—

**Mr Speaker:** Oh, very well. I call Sir Gerald Howarth.

**Sir Gerald Howarth:** I am grateful to you, Mr Speaker. As my right hon. Friend knows, corruption is a major problem in Ukraine, and one that is continuing to undermine the economic recovery of that country. What efforts are the British Government making to impress on the Ukrainian Government that they must end the practice of corruption if they want our continued support?

**Mr Lidington:** My hon. Friend puts his finger on one of the central challenges facing the Ukrainian Government and political parties in carrying out domestic reform. I do not think the House should underestimate how challenging that is in a country where corruption has been endemic for so long. We are doing what we can—not just through words, but with United Kingdom technical assistance—to enable the Ukrainians to move towards fighting corruption and establishing genuinely independent and impartial judicial and legal systems. The first projects under the good governance fund, which the Prime Minister announced last March, are now up and running in Ukraine.

### Terror Financing

6. **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): What progress has been made on reaching an international agreement on terror financing. [902968]

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood):** A key strand of the strategy to defeat Daesh is to cut off its financing. A series of international agreements restricting Daesh's income streams has come into force, including UN Security Council resolution 2170, which restricts Daesh's trade networks and sanctions individuals who are financially supporting Daesh, and UN Security Council resolution 2253, adopted in December—it was recently agreed by all Finance Ministers, including the Chancellor—which reorientates the UN al-Qaeda sanctions regime to target Daesh.

**Meg Hillier:** I thank the Minister for that response, but will he outline what specific steps are being taken to undermine the flow of finance from oil sales by Daesh, which are obviously fuelling this nasty terrorist group?

**Mr Ellwood:** The hon. Lady is right to highlight the importance of oil sales to Daesh, which account for about half of its revenues. It receives between \$2.5 million and \$4 million a day across all sources, but oil is very much the highest of them. Most of that is in fact sold to the Assad regime. We are making an impact—taxes in Mosul and Raqqa have been forced to go up; the salaries of the foreign fighters there have gone down; and smuggling routes are being closed off—so we are defeating Daesh using financial means.

**Stephen Phillips** (Sleaford and North Hykeham) (Con): The international convention for the suppression of the financing of terrorism has received widespread ratification across the world, but it has not been ratified by some major actors, in particular Iran and Somalia. What steps can my hon. Friend take to ensure that it is universally adopted, so that terrorist financing is shut off across the world?

**Mr Ellwood:** My hon. and learned Friend is right to articulate the loopholes that still exist. We are hoping that Iran, which has committed itself to continued talks in the Vienna process, will make the necessary changes to ensure that the loopholes are closed.

**Graham Jones** (Hyndburn) (Lab): Currency is clearly flowing out of ISIL towards Afghanistan to fund its huge operations there. As with any criminal organisation, currency will be flowing out of ISIL into foreign and western bank accounts to secure a future that it foresees. What success have we had in stemming that flow and capturing the people who are involved in the transfer of currency from ISIL as it exists as a state to wherever else it is going?

**Mr Ellwood:** The hon. Gentleman is correct. It is not only finances that are moving out of Iraq and Syria, but people. The fighters are moving to other parts of the world to promote their extremist cause. Afghanistan is one of those places and Libya is another. We are closing in on the individuals who are providing the accounts and we now have the legislative means to close them. It

will be difficult, but we need to work with those countries outside Iraq and Syria if we are to defeat extremism and close the financial channels it uses.

**Mr Nigel Evans** (Ribble Valley) (Con): One hundred and eighty-seven countries have ratified the international convention for the suppression of the financing of terrorism. What confidence can we have in, and what action can we take against, any of those signatories that are dealing in some of the oil that is funding Daesh?

**Mr Ellwood:** My hon. Friend is right to articulate that point. This is the main funding source that is keeping Daesh alive. It is able to use those funds to pay for the fighters who are causing so many of the problems in Iraq and Syria. It is hoped that the Vienna talks will lock down those countries—Iran has already been named—to ensure that they honour their commitments so that we can close down the financial channels.

**Diana Johnson** (Kingston upon Hull North) (Lab): Following on from the question from my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier), an estimate by Associated Press at the end of October 2015 was that between 40,000 and 50,000 barrels of oil a day were being produced to finance Daesh in Iraq and Syria to the tune of \$40 million a month. In the light of the agreement on terrorist financing that was reached in December, which the Minister mentioned, and the coalition military action, what is his current estimate of the finances available to Daesh?

**Mr Ellwood:** I made it clear that there is an estimate that Daesh is receiving between \$2.5 million and \$4 million a day. This matter is very difficult to understand because it does not keep accounts and it certainly does not share its accounts. There is not the transparency that we would like to see from any country. We are fully aware that its main source of income is the illegal sale of oil to the Assad regime. We have closed off other avenues, but the main one is sales to the Assad regime.

### The Commonwealth: Trade and Diplomatic Connections

7. **Mike Freer** (Finchley and Golders Green) (Con): What steps the Government are taking to promote trade and diplomatic connections with other Commonwealth countries. [902969]

**The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire):** The United Kingdom is committed to strengthening its engagement with the Commonwealth. My right hon. Friend the Prime Minister led a strong delegation to the Commonwealth summit in Valletta in November, where my noble Friend the Minister for Trade and Investment, Lord Maude, and I promoted trade opportunities.

**Mike Freer:** I am grateful for that answer. Given that three quarters of UK-Commonwealth trade is with India, Australia, Canada, Singapore, South Africa and Malaysia, how does my right hon. Friend propose that the UK can broaden its trading links with the other 46 Commonwealth nations?

**Mr Swire:** My hon. Friend makes a good point. This question affords me the opportunity to pay tribute to the noble Baroness Scotland and to congratulate her on

her appointment as the next secretary-general of the Commonwealth. We hope that she will refocus it. I am sure that Members from all parts of the House will want to work closely with her in the coming months and years.

At Valletta, we had the biggest ever Commonwealth business forum, which was organised by my noble Friend Lord Marland and the Commonwealth Enterprise and Investment Council. Lord Marland, the Minister for Trade and Investment and I are working very closely together on having more regular meetings of Commonwealth Trade Ministers, so as to expand Commonwealth trade both bilaterally between the UK and other Commonwealth members and within the Commonwealth.

**Chi Onwurah** (Newcastle upon Tyne Central) (Lab): The Africa all-party group, which I chair, recently met governmental and non-governmental representatives from African Commonwealth countries who expressed real concern that the European economic partnership agreements, which were negotiated in haste, under pressure, and often with many negotiators on one side and few on the other, will do real damage to Africa's emerging service and manufacturing industries. What is the Minister doing to redress the balance of power?

**Mr Swire:** The EU has trade deals involving 17 Commonwealth countries, and it is currently negotiating further agreements with Canada, Singapore and regional blocs in Africa. Africa is an area of huge potential for the Commonwealth—in fact, one of our recent successes is the east Africa oil and gas high value opportunity, which will support UK businesses in gaining access to local markets. One should look at the opportunities presented by potential investment in Africa, rather than the negatives.

21. [902986] **Mims Davies** (Eastleigh) (Con): Does the Minister agree that we cannot just wait for the result of the referendum on our membership of the EU, and that we must press ahead now with fostering further strong trade links with our Commonwealth friends?

**Mr Speaker:** An in-swinger by the hon. Lady.

**Mr Swire:** Thank you, Mr Speaker. We are a key member of the Commonwealth, and we know that trade between two Commonwealth countries is on the whole 19% cheaper than trade outside the Commonwealth. We should concentrate on growing trade in the Commonwealth, and I am sure that like me my hon. Friend believes in the good Conservative philosophy that a rising tide lifts all ships. [HON. MEMBERS: "What?"]

**Valerie Vaz** (Walsall South) (Lab): I am slightly thrown by the Minister's last words, Mr Speaker.

At the Commonwealth Heads of Government meeting in November, the first ever women's forum agreed 36 points of action. In any discussions that the Minister has with other Commonwealth heads, will he take on board those 36 points to ensure that women are not left behind?

**Mr Swire:** Indeed, and the hon. Lady will know, as I do, that the Commonwealth charter focuses on such matters. We have an opportunity, and I am happy to

meet her to discuss those issues in the run-up to the next Commonwealth Heads of Government meeting in the United Kingdom in spring 2018. We have the opportunity to shape the agenda.

**Andrew Rosindell** (Romford) (Con): The Minister will know that Commonwealth countries represent some of the most important future emerging markets for the United Kingdom. Would it not be better if we could sign our own free trade agreements directly with Commonwealth countries, and not depend on Brussels to do it on our behalf?

**Mr Swire:** I repeat to my hon. Friend that we want to encourage trade within the Commonwealth, and, as he knows, the Commonwealth makes those trade agreements with the EU. That is the current situation, and that is what we should concentrate on.

**Fabian Hamilton** (Leeds North East) (Lab): Trade between Commonwealth member Rwanda and the UK has grown steadily since the end of the genocide and the election of Paul Kagame as the country's President in 2000, but there are worrying signs of intolerance, dissent, and repression of the media, and a recent referendum agreed to lift the two-term limit on holding presidential office. Does the Minister have any concerns about President Kagame's increasing grip on power and associated reports of human rights abuses in Rwanda?

**Mr Swire:** I welcome the hon. Gentleman to his position on the Front Bench. The Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge), who has responsibility for Africa, visited Rwanda as recently as a month ago. I am sure he would be happy to meet the hon. Gentleman to discuss the findings of his trip.

### China: Diplomatic and Economic Relations

8. **Craig Williams** (Cardiff North) (Con): What recent assessment he has made of the strength of diplomatic and economic relations between China and the UK. [902970]

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond):** Our diplomatic and economic relationships with China are stronger than ever. Last year's state visit by President Xi Jinping delivered substantial benefits for the UK economy and established a new global partnership. Last week in Beijing I launched a new visa service to boost tourism and business, announced plans to build a new embassy to better serve our interests and reflect the level of our bilateral relationship, and reaffirmed the common approach with a common statement on the Syria crisis. Those are all achievements.

**Craig Williams:** I welcome my right hon. Friend's recent visit to China. Does he agree that with China set to become the world's largest economy in the first half of the century we should be using every opportunity to boost our exports to the Chinese market of 1.3 billion people to help secure jobs in my constituency and across the United Kingdom?



**Mr Hammond:** China is a vital trade partner. It is also an important investment partner, with a huge willingness to invest in UK infrastructure and a huge ability to absorb investment by UK companies in China. Our relationship with China is about more than just trade and investment, however. As the relationship grows, we will have increasing opportunities to engage with the Chinese on other key interests and to make our voice heard.

**Ms Margaret Ritchie** (South Down) (SDLP): What opportunities will arise for those who wish to export food produce from the United Kingdom to China? What further discussions have taken place with the Secretary of State for Environment, Food and Rural Affairs, following her visit to that country in November?

**Mr Hammond:** The hon. Lady puts her finger on a very topical subject. I discussed it again with the Chinese Foreign Minister during my visit. We look forward to Chinese customers being able to buy excellent British beef and lamb in their supermarkets in the very near future. The Chinese have assured us that they will make progress towards the necessary regulatory amendments to allow that to happen.

**Richard Graham** (Gloucester) (Con): Our strategic partnership with China is incredibly important, not least to trade and investment. My right hon. Friend will know that the all-party group I chair has promised to help 50 parliamentarians organise China seminars in their constituencies during this Parliament. Upholding the rule of law is also important, particularly to British business confidence in Hong Kong at the moment. Will my right hon. Friend update the House on the disappearance of British citizen Mr Lee Bo?

**Mr Hammond:** Yes. My hon. Friend is absolutely right that a proper rule of law system is vital for the economic, as well as the social, development of China. The Chinese Communist party is committed to implementing the full rule of law in China by 2020 and we are committed to supporting it in that endeavour. On the question of Mr Lee Bo, I raised the case with the Chinese Foreign Minister last week. The joint declaration and the basic law are clear that law enforcement in Hong Kong is a matter for the Hong Kong authorities, and that offences committed in Hong Kong should be tried in Hong Kong courts. As I said while I was in Beijing, if it turns out, as some have speculated, that Chinese state security entities have spirited Mr Bo out of Hong Kong, that would be an egregious breach of the basic law of the joint declaration, and of the principle of one country, two systems, which we very much support.

**Angela Smith** (Penistone and Stocksbridge) (Lab): It is of course right for the Government to pursue a stronger relationship with China, but it is also true that they should tackle unfair trading practices when they come across them. Will the Secretary of State update the House on the contribution he is making to tackle the Chinese Government over the unfair dumping of Chinese steel imports on the UK market?

**Mr Hammond:** The hon. Lady is absolutely right. We raised this issue with President Xi when he was here in October. We were given a commitment that China intends

to address its overproduction of steel. The problem is not only China, of course; this is a global problem. The Chinese said they were going to close some of their more polluting steel plants. I pressed them on that in Beijing last week and emphasised to them that it is through the prism of steel that their claims to be treated as a market economy are likely to be judged in the European Union. If they want a fair hearing on market economy status, they must address the steel issue. It is in their interests to do so.

**Catherine West** (Hornsey and Wood Green) (Lab): I congratulate the Secretary of State on the common statement, between the UK and China, on Syria. What action will he take to express concern at recent reports that Chinese police have arrested worker activists in the manufacturing centre of Guangdong? Does he agree that the current crackdown on labour rights NGOs in China does nothing to calm jitters in the context of the current economic downturn?

**Mr Hammond:** Regrettably, such incidents do occur in China, but we have a forum for raising concerns, through a formal human rights dialogue with China. We expect the next human rights summit to be in March or April, and we have a list of issues we will raise with the Chinese, including the question of how they operate around labour activists.

**Mr Speaker:** I always used to wonder why Foreign Office questions took longer. A senior Clerk said to me, "Mr Speaker, the reason they tend to take longer is that Ministers, perhaps understandably, feel they are addressing not merely the House but the world." I think that probably explains it, but I would like to make a bit of progress.

### St Helena

9. **Andrew Gwynne** (Denton and Reddish) (Lab): What assessment he has made of the implications for his policies of the findings of the Wass report on child abuse in St Helena. [902971]

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge):** The UK Government take child safeguarding in the overseas territories extremely seriously. We and the St Helena Government accept all the recommendations in the report, and a senior UK official has been appointed to be based in St Helena to oversee and implement all the recommendations.

**Andrew Gwynne:** The Wass report notes, at paragraph 1.48, that

"it should be recognised that Claire Gannon was not properly briefed for the task that confronted her when she arrived on St Helena in February 2013."

Was it the responsibility of the Foreign Office, the Department for International Development, the governor or other staff in St Helena to provide the briefing?

**James Duddridge:** Prior to all governors going out to overseas territories, the Foreign Office organises extensive briefings in all policy areas, and I can assure the House that, in addition to the normal briefings, we now provide specialist briefings on child safeguarding.

This subject was central to the Joint Ministerial Council only last month; in fact, it was the main issue we discussed.

### Occupied Palestinian Territories

10. **Dr Rupa Huq** (Ealing Central and Acton) (Lab): What discussions he has had with the Government of Israel on reducing tensions in the Occupied Palestinian Territories. [902972]

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood):** Incidents of violence have slowed, but we remain concerned about the situation and encourage both sides to de-escalate tensions. My right hon. Friend the Foreign Secretary and I have called on all sides to restore calm.

**Dr Huq:** While the peace talks stall and tensions escalate, the continued expansion of settlements makes a two-state solution ever more difficult to achieve. What representations is the Minister making to the Israelis about the illegal settlements?

**Mr Ellwood:** I made a statement at the weekend about Israel's announcement on settlements. The hon. Lady is absolutely right. We are an important friend—an ally—of Israel, but the issue of settlements makes it much harder to achieve, and takes us further away from, the two-state solution we seek.

17. [902979] **Victoria Atkins** (Louth and Horncastle) (Con): November 2017 marks the 100th anniversary of the Balfour declaration, which was an historic step in the creation of modern Israel. Are there any plans to mark this anniversary?

**Mr Ellwood:** My hon. Friend is absolutely right. During this Parliament, we mark a series of events and decisions that took place during and after world war one, including the Balfour declaration, the then Foreign Secretary's letter to the leader of the British Jewish community, Lord Rothschild. We are proud of the role that Britain played in supporting the birth of the state of Israel, but the incompleteness of the Oslo accords reminds us that there is still work to do to honour the declaration in full. But, yes, we will mark the Balfour declaration anniversary this year.

20. [902984] **Ruth Cadbury** (Brentford and Isleworth) (Lab): The only way truly to de-escalate tensions is through the restarting of meaningful peace talks. What are the UK Government doing to support this aim?

**Mr Ellwood:** We continue to press both sides to come together. John Kerry said not long ago that the middle east peace process must not become a tired old slogan or some throwaway phrase we use to appease our consciences. We need to get both sides back to the table. That is what the Palestinian and Israeli people want.

**Crispin Blunt** (Reigate) (Con): Will the Minister tell us, then, what the Government are doing to ensure this issue remains at the top of the international agenda?

**Mr Ellwood:** As I say, we call on both parties to resume talks as soon as possible. Prime Minister Netanyahu, on his visit to London and when he was in Washington,

and President Abbas have made it clear that they are committed to the two-state solution, but we should also make it clear that the status quo is not acceptable. We currently have a 1.5-state solution, not a two-state solution or a one-state solution, which I do not think is what Israel wants, because the Jewish community would be the minority. We need to get the parties together to work towards that two-state solution, because the status quo is not acceptable.

**Mrs Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): Has the Minister made representations about the current Palestinian campaign of inciting violence, which has led to 40 young Palestinians committing acts of terrorism, including shootings and stabbings of Israeli civilians on the streets of Israel?

**Mr Ellwood:** The hon. Lady is absolutely right to raise that point. Both sides need to refrain from rhetoric and from taking actions that clearly inflame the situation rather than take us where we want to be. Some of the acts of violence are not incited, although some are. It shows the frustration of some individuals who have lost faith in their own leadership. The fact that youngsters can get out a knife and go off and kill an Israeli, knowing the consequences, reflects the dire situation we face. That makes it all the more urgent that the leaders come together and move towards a two-state solution.

### Topical Questions

T1. [902953] **Stephen Phillips** (Sleaford and North Hykeham) (Con): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond):** I am very happy to update the entire universe on my priorities for 2016. They remain: Syria and the EU negotiation. Our priority in Syria includes humanitarian support focused on the London conference on 4 February, working through the Vienna process to achieve a negotiated political settlement to the civil war and continuing coalition military action against Daesh. In 2016, we will also seek to conclude our renegotiation of Britain's relationship with the European Union, and then hold the referendum that the Conservative party promised at the general election and that this Conservative Government will deliver.

May I update the House? While we have been sitting, President Erdogan has confirmed that the attack in Istanbul was an attack by a Syrian suicide bomber and an act of terrorism.

**Stephen Phillips:** I am grateful for that update, and I am sure that the whole House will be thinking of events in Istanbul this morning.

There were two bombings and a series of killings last week in Bujumbura. Given the failure of the latest round of talks in Arusha to resolve the ongoing conflict in Burundi and the increased risk of civil war—and, potentially, genocide—will my right hon. Friend update us on the present position and on the steps that the Government propose to take with the United States and our other allies to facilitate a peaceful solution in this part of Africa?

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge):** I was in Bujumbura last month and urged the country's Foreign Minister to attend talks in Entebbe, so it is disappointing that the Burundian Government have not followed up and continued the talks in Arusha either on 6 January or this Friday. While in Bujumbura, I met the US ambassador, and my US opposite number was there only the day before. The international community speaks with one voice in saying that the Burundians should come and discuss the issues with all parties to develop a dialogue about what can be done to bring Burundi back from the brink of civil war.

**Hilary Benn** (Leeds Central) (Lab): All our thoughts are with those killed and injured in what the Foreign Secretary has just reported as a terrorist attack in Istanbul.

The conflict in Yemen between the Houthis and the Saudi-led coalition has so far claimed over 7,000 lives and created, in the words of the UN Humanitarian Co-ordinator, Johannes van der Klaauw, a "humanitarian catastrophe", with more than 2.5 million people internally displaced and 7.5 million people without enough food. Last week, Sky News reported that six British personnel are advising the Saudis on targeting in connection with the conflict. Will the Foreign Secretary tell us exactly what assistance these individuals are giving, and, if it is related to targeting, whether they have reported any potential breaches of international humanitarian law?

**Mr Philip Hammond:** The right hon. Gentleman is absolutely right. I cannot tell him whether it is six people, but we do have a military presence in Saudi Arabia, and we are working with the Saudi Arabians to ensure the following of correct procedures to avoid breaches of international humanitarian law—to ensure that target sets are correctly identified and processes correctly followed and that only legitimate military targets are struck. It is important that we ensure Saudi Arabia has that capability.

We also use the personnel who are present as a quick check—it can only be a quick first check—when we receive reports, as we have recently, of breaches of international humanitarian law that would, for example, involve the deliberate striking of civilian targets. So far, in every case, our people on the ground have reported that there is no evidence of deliberate breaches of international humanitarian law.

**Hilary Benn:** Last week, the Minister of State told the House that he wanted to see "genuine intelligence evidence". However, we know that human rights organisations have already reported what they regard as potential breaches. For instance, a hospital supported by Médecins Sans Frontières in northern Yemen was hit by a missile recently, and another MSF hospital in Sadaa was destroyed last October.

In the light of those reports, and given that the Government's own policy is not to grant arms export licences if

"there is a clear risk that the items might be used in the commission of a serious violation of IHL"

—international humanitarian law—will the Foreign Secretary launch an immediate review of arms export licences for Saudi Arabia relating to the use of British-supplied weapons?

**Mr Hammond:** We need to be careful here. The MSF hospital attack in Sadaa is still being investigated, but so far there is no evidence that it was hit by a missile, although it clearly came under attack. We are looking urgently at the situation on the ground.

We have a very robust export licensing process. There is a series of questions against which any export licence application must be tested, and we apply it rigorously. When a conflict is under way, whether we are talking about Yemen today or Operation Protective Edge in Gaza in the summer of 2014, we take particular care to apply the criteria diligently. That is what has been done, and that is what will be done in relation to any future arms licensing applications that are received.

T3. [902956] **Alok Sharma** (Reading West) (Con): My former constituent Ahmad Zeidan, who is a British national, is currently serving a nine-year custodial sentence in the United Arab Emirates. Mr Zeidan's family have informed me that, while in prison, he has been subjected to brutal beatings and threats of physical and sexual violence by police officers. Mr Zeidan maintains that he is innocent, and that he was coerced into signing a confession written in Arabic, a language that he cannot read. Will the Minister meet me, and representatives of Mr Zeidan's family, to see what can be done to help secure his early release?

**The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood):** I should be happy to meet my hon. Friend, and the family as well. We are aware of the situation, and, as my hon. Friend knows, we have been providing consular assistance for Mr Zeidan and his family, but we stand ready to provide further support.

T2. [902954] **Mrs Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): What representations has the Foreign Secretary made about the Baha'i, who continue to be persecuted in Iran?

**Mr Philip Hammond:** In our meetings—including meetings held during my visit to Iran last August, and my subsequent meetings with Foreign Minister Zarif, whom I see fairly often because he is involved in the International Syria Support Group—we regularly raise the issue of the persecution of minorities in Iran, which is one of many human rights concerns that we have about that country.

T4. [902957] **Alex Chalk** (Cheltenham) (Con): Given the appalling suffering that Ebola caused in 2014 and 2015, what steps is the United Kingdom taking to ensure that it is permanently addressed in west Africa?

**James Duddridge:** The UK has announced a two-year, £240 million package to support Sierra Leone's long-term recovery, which includes boosting capability to respond to future Ebola outbreaks and other emergencies. We are also working closely with the Government of Sierra Leone, the World Health Organisation and other partners to reduce the risk of further outbreaks, and to prevent them from growing into epidemics.

T6. [902959] **Christian Matheson** (City of Chester) (Lab): I commend Ministers for their prompt and proactive response to the dreadful news from Chennai

yesterday morning that my constituent Ray Tindall and the other men on the Seaman Guard Ohio had been sentenced to five years in prison. May I suggest, however, that it would be proactive now for the highest level of the British Government to contact the highest level of the Indian Government to find a political solution to bring the lads home, given that the legal processes have not necessarily worked well?

**The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire):** As the hon. Gentleman knows, as soon as we heard the news yesterday morning I called a meeting of all the local Members of Parliament, which he attended. Since then I have spoken to Samir Farajalla, the chief executive officer of AdvanFort, and I have just come from an introductory meeting with the new Indian high commissioner, at which I raised the issue. As the hon. Gentleman will know, there is now to be a 90-day appeal period. We are seeking clarification on a number of fronts, and I am committed to keeping Members informed of developments, but at the forefront of our thoughts at the moment are the safety and wellbeing of the men and their families.

T5. [902958] **Nusrat Ghani** (Wealden) (Con): Increased diplomatic and political co-operation is vital in settling international and regional disputes in the Asia-Pacific region. What steps are the Government taking to progress the strategic partnership between Japan and the UK?

**Mr Philip Hammond:** I am grateful to my hon. Friend for her question. Fortuitously, I was in Japan on Friday conducting a strategic dialogue with my Japanese counterpart. The strategic defence and security review published last autumn identified Japan as Britain's principal security partner in Asia. That will continue to be the case and we are building that security partnership while strengthening our trade and investment partnership.

T8. [902961] **Wes Streeting** (Ilford North) (Lab): Ahead of his visit to Sri Lanka shortly, will the Minister give an undertaking to the House to raise with the Sri Lankan Government, notwithstanding the progress they are making, the recent allegations of human rights abuses, the demilitarisation of the north, political detainees and, crucially, the international involvement of judges and prosecutors to give everyone the confidence we need that people will be brought to justice for human rights violations and war crimes?

**Mr Swire:** Indeed, I will commit to that, and I thank the hon. Gentleman and other colleagues from the all-party Sri Lanka and Tamil groups for coming to a meeting with me yesterday where we shaped some of the ideas I might pursue in my forthcoming visit.

T7. [902960] **Mims Davies** (Eastleigh) (Con): What assessment has the Minister made of the role of regional airports—for example, Southampton airport in my constituency—in increasing trade links and growing prosperity across Africa?

**James Duddridge:** Southampton airport has regular flights to Amsterdam that access about 55 different African destinations. This drives bilateral trade, increases tourism and helps grow Africa out of poverty. I hope

London Southend airport in my constituency does what Southampton's has done, and develops a strong link with KLM. I would be keen to visit my hon. Friend's constituency to learn from the work she has done.

**Kirsten Oswald** (East Renfrewshire) (SNP): I have spoken about my constituent William Irving in this place on a number of occasions and have written to the Secretary of State and his colleagues urging the UK Government to assist, but, as we have heard, yesterday Billy and his colleagues from the Seaman Guard Ohio were sentenced to five years' hard imprisonment in an Indian jail, despite their consistently protesting their innocence. Can the Secretary of State please assure me that the UK Government will leave absolutely no stone unturned in getting Billy and his colleagues back home as soon as possible?

**Mr Swire:** Indeed, and the hon. Lady is absolutely right to raise her constituency issue. We discussed this yesterday in the meeting. I would just say to the House that there have been over 30 ministerial contacts over this ongoing case, from the Prime Minister and Prime Minister Modi down. We are in a judicial process. There is a 90-day appeal process and—believe you me—we are doing everything we can to ensure the best possible outcome.

T9. [902962] **Mary Robinson** (Cheadle) (Con): Last year's elections in Burma were an important step towards greater democracy. Can the Minister update the House on measures the Government are taking to ensure that religious minorities, such as the Muslim Rohingya community, are protected following these landmark elections?

**Mr Swire:** I am grateful for the hon. Lady's question, and this affords me an opportunity to congratulate Daw Aung San Suu Kyi on her staggering victory in the recent elections. We are, and remain, the biggest bilateral donor to Rakhine. We are disappointed of course—we have said this repeatedly—that the Rohingya were debarred from taking part in the election. I raised this most recently with the Burmese Foreign Minister when I was in New York. Daw Suu has many things on her plate—not least only eight out of a possible 16 ceasefires with some of the ethnic groups—but dealing with the problem in Rakhine and dealing with the Rohingya people in a fair and inclusive way must be at the top of that agenda, and we will continue to assist her in any way we can to that end.

**Emma Reynolds** (Wolverhampton North East) (Lab): Does the Foreign Secretary think it would be in the UK's national interest to have the "fax democracy" of Norway, whereby we would be sent the rules and regulations of the single market, abide by the freedom of movement principle, and pay into the EU budget but have no seat around the negotiating table?

**Mr Philip Hammond:** That model has never seemed very attractive to me. Some people have talked about the Norwegian model in the domestic debate here, but perhaps they have failed to understand how it works. As the hon. Lady has just said, it involves accepting all the

rules and paying all the subs but getting no vote and no seat at the table. That does not look like a good plan to me.

**Michael Fabricant** (Lichfield) (Con): Birmingham airport has recently initiated regular flights to China, but France, Holland and Germany all have more such flights than the United Kingdom. What can the Secretary of State do with the Department for Business, Innovation and Skills and the Department for Transport to encourage more regular flights to China in order to promote trade and tourism?

**Mr Hammond:** My hon. Friend did not mention airport capacity in the south-east, but it is of course intimately linked with his question. As he will know, the Government are now urgently carrying out further studies around the Davies report on airport capacity in the south-east and we will make a decision as soon as possible on that matter.

**Joan Ryan** (Enfield North) (Lab): On new year's day, Nashat Melhem murdered two Israelis in a bar in Tel Aviv and wounded eight others. He then killed a taxi driver, a Bedouin Israeli, while escaping. He himself was killed a week later in a shoot-out with the police. The Palestinian Authority's Ministry of Health has described him as

"one of the dearest martyrs",

and the Fatah Facebook page has commented:

"Congratulations and may Allah receive you in Heaven".

What pressure will the Government bring to bear on the Palestinian Authority to ensure that this kind of encouragement to violence is stopped?

**Mr Ellwood:** The right hon. Lady is absolutely right. This is the sort of rhetoric I was referring to earlier, and it takes us into a very dark place. It is the sort of rhetoric that President Abbas should be condemning straight away. I will visit Israel and the west bank shortly, and I will certainly raise these matters to ensure that this kind of encouragement and incitement to violence is stopped.

**Dr Andrew Murrison** (South West Wiltshire) (Con): The Foreign Secretary's update on the evolving situation in Istanbul reminds us of the dangers posed by violent fundamentalism. What lessons does he think we can learn from countries such as Morocco, which act as a beacon of hope within the Islamic world?

**Mr Ellwood:** Morocco is one of the countries that has moved forward since the Arab spring, and it is an exemplar of how the democratic process can succeed. My hon. Friend and I have both visited the Mohammed VI imam training institute, which has done much to train imams to ensure that the moderate message of Islam is promoted. I would like to see that work spread out across the Maghreb and elsewhere, because Morocco is an excellent model for other countries to follow.

## **Criminal Driving (Justice for Victims)**

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

12.36 pm

**Greg Mulholland** (Leeds North West) (LD): I beg to move,

That leave be given to bring in a Bill to make provision to strengthen penalties related to serious criminal driving offences that lead to serious injury or death; to redefine such offences and amend bail conditions for those charged with them; to enhance the standards of investigation, both by the police and in the Courts, into such offences; to improve the treatment of victims of such offences and their families within the justice system; and for connected purposes.

In 2014-15, 389 people were killed in England and Wales alone due to dangerous driving. In too many of those cases—and in even more in which lesser charges have been brought—victims of those serious crimes and their families have been badly let down. We therefore need a number of changes to ensure that proper justice can be delivered in the future.

I was pleased to meet the Justice Secretary yesterday, along with 22 other colleagues. I also thank the Minister for Policing, Crime and Criminal Justice, the right hon. Member for Hemel Hempstead (Mike Penning), for his personal interest in this matter. However, my colleagues and I were somewhat surprised and disappointed to be told that there is to be a further consultation which will not produce a document until later this year, given that the Minister had suggested in a previous answer that the consultation would be completed by spring 2015. The message today is to encourage them to continue to work with us to ensure that we get comprehensive legislation by 2017 at the latest.

I am today speaking on behalf of many families across the country. I have had two awful cases in my constituency: that of 16-year-old Jamie Still, who was killed by a reckless criminal driver on new year's eve in 2010, and that of David and Dorothy Metcalf from Cookridge, who were killed in January 2012. I dedicate this Bill to the memories of Jamie, David and Dorothy, and all who have lost their lives as a result of these serious crimes. It is 18 years ago today that Livia Galli-Atkinson was killed in Enfield, and I wish to pay tribute to the tireless campaigning by her parents, George and Giulietta, as well as by Karen and Rebecca Strong, and Clive Metcalf and his family.

I also wish briefly to mention a number of hon. Members and cases that they have been involved in. Livia's family have been supported by the hon. Members for Enfield, Southgate (Mr Burrowes), for Rugby (Mark Pawsey) and for Liverpool, West Derby (Stephen Twigg). In the awful case of what happened to Sean Morley, support has been given by the hon. Member for North Warwickshire (Craig Tracey) and his predecessor. The case of John Morland and Kris Jarvis has been supported by the hon. Member for Reading West (Alok Sharma). The case of Ross and Clare Simons has been supported by the hon. Member for Kingswood (Chris Skidmore). The case of Jamie Butcher has been supported by the hon. Member for North East Cambridgeshire (Stephen Barclay). The case of Joseph Brown-Lartey has been supported by the hon. Member for Heywood and Middleton (Liz McInnes) and Manchester's Key 103 radio station. The hon. Member for South Cambridgeshire (Heidi Allen) has supported the family of Alex Jeffery.

The hon. Member for Isle of Wight (Mr Turner) has supported the family of Evey Staley. There have been many other cases, including that of the right hon. Member for East Ham (Stephen Timms), whose own father was killed by a careless driver in 1991. I pay tribute to all the families who are campaigning tirelessly to try to get justice, and we will support them here until we get a change in the system.

The changes being proposed today come from a meeting of those families and fellow Members back in December 2014 and the manifesto we produced as a result, which has been backed by Brake, the road safety charity—I pay tribute to its amazing work. Our manifesto "Better Justice for Victims of Criminal Driving and Their Families" suggested a number of changes, which I will briefly list. First, the distinction between "careless" and "dangerous" driving is false and unhelpful, often coming down to the slight and subjective difference between someone's driving falling below or well below what is expected of a careful and competent driver. The problem is that in too many cases people are simply given the lesser charge of causing death or injury by careless driving rather than by dangerous driving because it is easier for prosecutors to seek a conviction. The difference in penalties between these charges is huge: it is a maximum of a five years for causing death by careless driving, compared with up to 14 years for causing death by dangerous driving.

The simple reality is that "careless" is an inappropriate and offensive term to use for criminally bad driving, particularly where it has resulted in horrendous suffering. Even driving that falls only slightly below the standards—a momentary lapse of concentration—may be careless, but it is still dangerous. Careless driving, a charge that was opposed by Brake in the first place, has institutionalised dishonesty in our justice system, and that needs to be rectified. The use of the term "careless" makes a value judgment about the intention of the perpetrator—it is not factual. Calling driving that falls below any standard "dangerous" is factual, because such driving is dangerous. The Bill is not calling for us to get rid of a lesser sentence only for a higher one; it is calling for us to scrap both charges for a system where all dangerous driving is regarded as a category of offence that can have the minimum or the maximum sentence. That would give judges the discretion; at the moment, their hands are tied once a lesser charge has been brought to the courts, and families are being failed up and down the country.

We also need to examine sentencing and the fact that too few high sentences are given out. Last year, the Government rightly introduced a new offence of causing serious injury while dangerous driving—in the past, that had been missed out—but this new charge should carry a maximum penalty of 14 years. The cost of care as well as the devastation for people who are seriously injured and can never work again, and in some cases can never speak or operate normally again, needs to be taken just as seriously as causing death by dangerous driving.

Drivers who kill while under the influence of drugs or drink can face up to 14 years in jail. However, there is a perversity, which is that if the driver flees a scene to sober up, that crime can be impossible to prove, leaving only a hit-and-run offence. That has the absurdity of incentivising drink and drug drivers to flee the scene and obstruct justice. Hit-and-run drivers should face

the same maximum penalties as other drivers who kill and seriously injure, with an assumption that if they flee the scene they must have a reason to do so, which suggests guilt.

We also need to look at the automatic suspension of a driving licence—or, at the very least, a presumption of suspension of a driving licence—as a condition of bail in cases of dangerous and careless drivers who seriously injure or kill. In the case of Jamie Still, the perpetrator of that crime was driving for nine months in the very town in which he killed the 16-year-old. What must it have felt like for the family to see him driving along the same road on which Jamie was killed? That is happening in too many cases.

In cases where charges of criminal driving are brought, the victims must be treated by all parts of the judicial system as victims of crime. Currently, that is not the case, and they are often not given the same support as victims of other crimes, even though the devastation is exactly the same as that of any case of manslaughter.

More work needs to be done in a number of areas. I understand that this can be complicated, and I ask the Minister to work with his former colleagues in the Department for Transport to improve the system. For example, we need to have more appropriate investigation of collisions, better guidance and better advice in terms of releasing evidence to victims' families. That has not happened adequately in a number of cases that I have mentioned. Victims and their families are not always given access to all the evidence and end up having to trust the Crown Prosecution Service to do its job properly, but I am afraid that too many cases show that they cannot always do so.

The Department for Transport must, in all cases, stop describing as “accidents” incidents of criminal driving where someone has been killed or seriously injured. The CPS and traffic police already do not use the word “accident” to refer to criminal driving offences, but the Department for Transport continues to do so. That is yet another way of exacerbating the suffering of victims and their families. There is a sense that somehow these are not real or serious crimes, despite the devastation that they have caused.

We need changes throughout the system—from investigations through to prosecutions, sentencing and to the very charges themselves—to give justice to families who suffer from these awful crimes, and to deter people from behaving so recklessly behind the wheel of a vehicle. I welcome the attention of the Secretary of State. I will work with him and his Department on this matter. If they wish to support this Bill, we can talk about its content. In the end, we must see, by next year, a change across the board so that we can at last deliver justice for victims and their families.

*Question put and agreed to.*

*Ordered,*

That Greg Mulholland, John Pugh, Ian C. Lucas, Jason McCartney, Susan Elan Jones, Liz McInnes, Heidi Allen, Hywel Williams, Mr Andrew Turner, Ms Margaret Ritchie, Dr Sarah Wollaston and Sammy Wilson present the Bill.

Greg Mulholland accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 11 March, and to be printed (Bill 117).*

## Housing and Planning Bill

[2ND ALLOCATED DAY]

*Further consideration of Bill, as amended in the Public Bill Committee*

### Clause 67

PAYMENTS TO SECRETARY OF STATE

12.49 pm

**Dr Roberta Blackman-Woods** (City of Durham) (Lab): I beg to move amendment 131, page 29, line 14, leave out clause 67.

*This amendment, together with other amendments leaving out all the clauses in this chapter, would prevent vacant high value housing from being compulsory sold.*

**Mr Speaker:** With this it will be convenient to discuss the following:

Amendment 92, page 29, line 21, at end insert

‘that shall include—

- (i) the repayment of capital debt on any high value properties sold
- (ii) the cost of replacing any high value properties sold on a one for one basis within the same local authority.’

*The amendment would ensure the replacement of property locally and it would also ensure appropriate deductions are included in legislation.*

Amendment 51, page 29, line 21, at end insert—

‘(2A) The total payment required from all affected local authorities in any financial year shall not exceed the total grant paid in that year to private registered providers in respect of right to buy discounts.’

*The amendment would avoid powers being used a general means of taxing councils and tenants for the benefit of the Exchequer.*

Amendment 93, page 29, line 32, leave out from ‘regulations’ to ‘for’ and insert

‘require a local housing authority in England to define “high value” in its area’.

*The amendment would enable local housing authorities to define high value property in line with local housing market conditions.*

Amendment 94, page 29, line 33, at end insert

‘that will not apply to more than 10% of the total authority properties in the local housing authority area’.

*The amendment would safeguard a proportion of local authority housing stock in high value areas.*

Amendment 53, page 29, line 35, at end insert—

‘(10) Regulations under subsection (8) may not define a dwelling as “high value” if its sale value is less than the cost of rebuilding it and providing a replacement dwelling with the same number of bedrooms in the same local authority area.’

*The amendment would ensure that the cost of replacement dwellings is not specified as one of the costs and deductions to be made as required by sub-section 67(2) and would allow for one-for-one local replacement.*

Amendment 132, page 29, line 36, leave out clause 68.

*See explanatory statement for amendment 131.*

Amendment 55, in clause 68, page 30, line 11, at end insert—

‘(5) Regulations under subsection (2)(b) shall specify that housing shall be excluded where it forms part of a housing regeneration scheme or consists of specialist housing or recently improved housing.’

(6) In this section—

“housing regeneration scheme” means a programme of regeneration or development of an area which includes the provision or improvement of housing and for which finance may be available under section 126 of the Housing Grants, Construction and Regeneration Act 1996;

“specialist housing” means any housing designed for or intended for occupation by older persons or persons needing care or support or persons with mental health problems or learning disabilities, or which has features which are designed to make it suitable for occupation by a physically disabled person, or which it is the practice of the landlord to let for occupation by persons with special needs;

“recently improved housing” means housing where there has been substantial works of repair or improvement carried out on the relevant dwelling or group of dwellings within the previous two years.’

*The amendment would exclude certain types of property from inclusion in the high value homes determination.*

Amendment 133, page 30, line 12, leave out clause 69.

*See explanatory statement for amendment 131.*

Amendment 134, page 30, line 28, leave out clause 70.

*See explanatory statement for amendment 131.*

Amendment 135, page 31, line 2, leave out clause 71.

*See explanatory statement for amendment 131.*

Amendment 136, page 31, line 12, leave out clause 72.

*See explanatory statement for amendment 131.*

Government amendment 112.

Amendment 137, page 31, line 20, leave out clause 73.

*See explanatory statement for amendment 131.*

Amendment 138, page 31, line 28, leave out clause 74.

*See explanatory statement for amendment 131.*

Amendment 139, page 32, line 2, leave out clause 75.

*See explanatory statement for amendment 131.*

Amendment 140, page 32, line 16, leave out clause 76.

*See explanatory statement for amendment 131.*

Amendment 141, page 32, line 28, leave out clause 77.

*See explanatory statement for amendment 131.*

Government amendments 130, 9 and 11.

Government new clause 59—*Reverting to original rent levels.*

Government new clause 60—*Private providers: policies for high income social tenants.*

Government new clause 61—*HMRC information for private registered providers.*

New clause 39—*Living Rent Commission—*

‘(1) The Secretary of State shall appoint a body, to be known as “the Living Rent Commission”, to discharge the functions conferred under this section.

(2) The Secretary of State shall refer to the Living Rent Commission to determine a definition of “affordability”, based on which it shall make recommendations on rent levels for all housing provided by local authorities and private registered providers in England, at a level of locality considered appropriate and practicable by the Commission.

(3) Before arriving at the recommendations to be included in the report produced under subsection (4), the Living Rent Commission shall consult—

(a) such organisations representative of providers of affordable housing as they think fit;

(b) such organisations representative of affordable housing occupants as they think fit; and

(c) if they think fit, any other body or person.

(4) The Living Rent Commission shall, after considering the matter referred to it under subsection (2), make a report to the Prime Minister and the Secretary of State which shall contain the Commission’s recommendations regarding affordable rents.

(5) The Secretary of State may by regulations implement the Commission’s recommendations on affordable rents for private registered providers and local authority provided housing.

(6) If, following the report of the Living Rent Commission under subsection (4) above, the Secretary of State decides—

(a) not to make any regulations implementing the Commission’s recommendation, or

(b) to make regulations which do not relate to a recommendation of the Commission,

the Secretary of State shall lay a report before each House of Parliament containing a statement of the reasons for the decision.

(7) The definitions determined and recommendations made under subsection (2) shall be reviewed annually by the Living Rent Commission.’

*This new clause would set up a Living Rent Commission to define and determine affordable rents.*

Amendment 144, page 33, line 12, leave out clause 79.

*This amendment, together with amendments 145 to 153, would leave out Chapter 4 of Part 4.*

Government amendment 113.

Amendment 95, in clause 79, page 33, line 15, at end insert—

‘(1A) Any regulations made by the Secretary of State under this section will not apply—

(a) to people aged over 65;

(b) to people who have a registered disability;

(c) to people on zero hours contracts;

(d) to people with seasonal contracts of employment;

(e) to households where one or more members is in receipt of ESA;

(f) where a household member is in receipt of care

(g) where a member of the household is a carer for another household member;

(h) to those living in supported housing; and

(i) to households in receipt of housing benefit.’

*The amendment would establish exemptions from the application of high income rents system.*

Amendment 57, page 33, line 19, at end insert—

‘(d) to be increased on a tapered system relating to income and level of rent charged.’

*The amendment would introduce a taper scheme into the application of high income rents to prevent huge jumps in the rent level being charged with only modest increases in income.*

Amendment 58, page 33, line 19, at end insert—

‘(d) to take into account the need to promote socially cohesive and mixed communities.’

*The amendment would enable local authorities and social housing providers to take into account the need to promote and encourage a degree of diversity in their communities.*

Amendment 59, page 33, line 19, at end insert—

‘(d) take into account local affordability.’

*The amendment would establish that rent levels should reflect local affordability.*

Amendment 60, page 33, line 22, at end insert—

‘(3A) The Secretary of State must make regulations to provide for the external valuation of high income rents.’



*The amendment would establish that the application of a higher income rent should be subject to external valuation.*

Amendment 96, page 33, line 22, at end insert—

‘(3A) Any regulations made by the Secretary of State under this section must include provisions for—

- (a) a notice period of one year before the new rent becomes payable; and
- (b) transitional protection and arrangements as the tenant moves to the higher rent.’

*The amendment would make it appropriate for tenants deemed to have a high income to be given time and a degree of transitional protection to enable them to relocate to another property or increase their income further*

Government amendment 114.

Amendment 61, page 33, line 27, at end insert—

‘(6) All provisions in this section shall only apply—

- (a) for new tenancies commenced after 30 April 2017; and
- (b) where the tenant has been provided with a new tenancy agreement.’

*The amendment would establish that the high income rent regime would only apply to new tenants from April 2017 and where they have been given a new tenancy agreement.*

Amendment 145, page 33, line 29, leave out clause 80.

*See statement for amendment 144.*

Amendment 97, in clause 80, page 33, line 30, at beginning insert ‘subject to subsection (1A)’.

*See amendment 98.*

Amendment 98, page 33, line 32, at end insert—

‘(1A) High income” must be set with reference to average incomes in the area with high incomes being defined by income falling in the top quartile of incomes in the area.’

*The amendment would establish that high incomes will reflect the top quartile of income levels.*

Amendment 62, page 33, line 32, at end insert—

‘(1A) For the purposes of this Chapter high income cannot be set at a level lower than median income.’

*The amendment would establish that the high income level cannot be set at a level lower than average/median salaries.*

Government amendment 115.

Amendment 146, page 34, line 6, leave out clause 81.

*See statement for amendment 144.*

Government amendments 116 to 120.

Amendment 147, page 34, line 19, leave out clause 82.

*See statement for amendment 144.*

Government amendments 121 to 123.

Amendment 63, in clause 82, page 34, line 27, leave out subsection (c).

*The amendment would establish that the creation of a public body to transfer information from the HMRC to a local authority or registered provider of social housing is not necessary.*

Government amendments 124 to 126.

Amendment 148, page 35, line 15, leave out clause 83.

*See statement for amendment 144.*

Government amendments 127 and 128.

Amendment 149, page 35, line 28, leave out clause 84.

*See statement for amendment 144.*

Amendment 64, in clause 84, page 35, line 30, leave out ‘estimated’.

*The amendment would establish that payments to the Secretary of State would not be made on an estimation of income receipts.*

Amendment 65, page 35, line 38, leave out subsection (5).

*The amendment would establish that it will not be possible for payments to be made to the Secretary of State based on assumptions that are not borne out by reality.*

Amendment 150, page 36, line 1, leave out clause 85.

*See statement for amendment 144.*

Government amendment 129.

Amendment 152, page 36, line 31, leave out clause 87.

*See statement for amendment 144.*

Amendment 153, page 37, line 7, leave out clause 88.

*See statement for amendment 144.*

Amendment 142, page 37, line 20, leave out clause 89.

*This amendment, together with amendment 143, would enable councils to be free to manage flexibly tenancies in a way that drives best value from stock whilst supporting strong local communities.*

Amendment 143, page 37, line 32, leave out clause 90.

*See statement for amendment 142.*

Amendment 105, page 86, line 1, leave out schedule 4.

*To remove this schedule from the Bill.*

Amendment 106, page 99, line 20, leave out schedule 5.

*To remove this schedule from the Bill.*

Amendment 107, page 27, line 21, leave out clause 61.

*This amendment would remove the ability of the Secretary of State to make grants with respect to Right to Buy discounts to private registered providers including housing associations.*

Amendment 88, in clause 61, page 27, line 23, at end insert

‘with the exclusion of—

- (a) supported housing for older people;
- (b) supported housing units (including self-contained homes where floating support is provided for vulnerable people);
- (c) key worker housing (which includes self-contained flats subject to nomination agreements with third parties);
- (d) units that form part of major regeneration schemes planned or already under way;
- (e) rural settlements;
- (f) homes built for charitable purposes without Government grant and homes provided through S.106 agreements requiring stock to be kept as social housing in perpetuity;
- (g) cooperative housing;
- (h) ALMOS (arm’s length management organisations); and
- (i) Alms houses.’

*The amendment would exclude the listed categories of specialised housing from being subject to the Right to Buy provisions of the Bill.*

Amendment 89, page 27, line 25, at end insert—

‘(2A) The conditions at subsection (2) must include a condition that money equivalent to the market value (disregarding any discount) of a dwelling sold under right to buy and to which the grant applies is spent by the private registered provider on the provision of affordable housing in the same local authority area or London, including at least one new home replacing that sold which is—

- (a) of the same tenure,
- (b) located in the same local authority area or London borough, and
- (c) in accordance with assessed local housing need.’

*The amendment would require housing associations offering the Right to Buy to their tenants in London and elsewhere to re-invest all the money received as a result of the sale in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough.*

[Mr Speaker]

Amendment 50, page 27, line 28, at end insert—

‘(4) Grants must not be payable on properties bought and turned into buy-to-let dwellings within ten years.’

*The amendment would prevent property sold under Right to Buy from being converted into buy to let dwellings for a period of ten years.*

Amendment 108, page 27, line 29, leave out clause 62.

*This amendment would remove the ability of the Greater London Authority to make grants with respect to Right to Buy discounts to private registered providers including housing associations in London.*

Government amendment 111.

Amendment 90, in clause 64, page 28, line 24, at end insert—

‘( ) The discount should remain in perpetuity’

*The amendment would ensure that homes sold under the Right to Buy remain as discounted housing in perpetuity.*

Amendment 91, page 28, line 24, at end insert—

‘( ) A dwelling must not be sold under the Right to Buy without the Housing Association having the ability to—

- (a) verify the source of funding for purchase,
- (b) establish who is occupying the property,
- (c) check that the person/s seeking to purchase the property under Right to Buy has no interest in another property,
- (d) has sufficient time to carry out checks for fraudulent activity, and
- (e) be able to prepare reports on (a)-(d) for the Housing Association Board of Trustees to consider.’

*The amendment would ensure that housing associations are able to carry out proper checks before proceeding with the Right to Buy offer.*

Amendment 109, page 28, line 24, at end insert—

‘( ) A dwelling must not be sold under the Right to Buy without the Housing Association having first—

- (a) identified the dwelling that will become the replacement for the dwelling sold, where—
  - (i) the replacement dwelling may be an existing dwelling or a planned new-build,
  - (ii) the tenure of the replacement property is presumed to be the same as that of the dwelling sold under Right to Buy, unless a different tenure can be justified on the basis of local needs, and
  - (iii) the replacement dwelling is located in the same local authority area as the dwelling sold; and
- (b) communicated the replacement plan to the Regulator.’

*This amendment would ensure that a home cannot be sold under Right to Buy until a suitable replacement home has first been found or planned.*

**Dr Blackman-Woods:** It is a pity that we are dealing with the four most contentious aspects of the Bill in one two-hour session, and that the Government did not accept our alterations to the programme motion, which would have made it a bit more sensible.

I shall begin by considering the forced sale of high-value social housing, covered in chapter 2 of part 4 of the Bill. As the Government will be aware, we tabled a number of amendments to chapter 2 on a range of issues relating to the forced sale of such housing. Amendment 92 would ensure that the replacement of property locally with appropriate resourcing was included in legislation. Amendments 93 and 94 would give local authorities more agency over defining “high value” and would limit the number of houses sold in a particular area to 10% of the stock.

**The Minister for Housing and Planning (Brandon Lewis):**

I thank the hon. Lady for giving way so early. I wanted gently to challenge her comments about today’s debate bearing in mind that the programme motion was agreed with the Opposition and that we agreed to the changes they asked for.

**Dr Blackman-Woods:** I remind the Minister that we voted against the programme motion.

Amendment 53 safeguards the replacement of like-for-like housing; homes cannot be sold if their sale value is less than the cost of replacing the original property. Amendment 55 seeks to exempt certain types of specialist housing from “high value” determination. Owing to the extremely limited time available today, I will not speak in detail on those amendments. I will focus instead on amendments 131 to 141, which leave out all the clauses in chapter 2 of part 4, effectively removing the chapter from the Bill.

Labour Members are not against local authorities making sensible decisions about their assets, but that is not what the clauses in this chapter of the Bill would enable. They will force local authorities to sell off much-needed council housing, even when they have huge waiting lists. Glyn Robbins, estate manager of Quaker Court, stated that many council homes in London in places such as Quaker Court are likely to be deemed high value, and that is where the Government’s legislation will have the most severe impact.

**Andrew Gwynne (Denton and Reddish) (Lab):** Of course, this is not just about the loss of council properties in high-value areas. The impact of the policy would surely be that those properties would move into the privately rented sector, meaning that the housing benefit bill is likely to increase to enable the same properties to be rented out.

**Dr Blackman-Woods:** My hon. Friend makes an additional point about how truly appalling and nonsensical the policy is. I hope to come to that a bit later.

Glyn Robbins said:

“This is about as high-value an area as you’re going to find. So every time we get an empty council flat, instead of that home going to the next person on a waiting list in Islington that has 18,000 people on it, it’s going to be sold into the private market.”

The Chartered Institute of Housing, among others, has also expressed concern that the Government’s expectation of the number of houses to be built as a result of forcing the selling off of so-called high-value housing is much, much too high. It says that the Government appear to have vastly overestimated the number of homes that will become vacant in the category of high value that might be defined within any local authority area, which in turn will have a negative impact on the replacement of sold-off homes by housing associations. The chief executive of the Chartered Institute of Housing stressed that more funding needs to be made available for affordable housing and that

“full compensation for housing associations will be absolutely vital if they are going to be able to build more affordable homes for people who can’t afford to buy”.

As far as commentators are concerned, the provisions of this chapter of the Bill are likely to lead to less council housing being available and to any replacement housing that does materialise being out of the financial

reach of many people. We know that housing waiting lists will become longer and people will be forced to stay in temporary accommodation for longer, which of course will mean a greater cost to local taxpayers. Councils will have less of an incentive to invest in stock, as it might push the value above the arbitrary thresholds for forced sale. Moreover, the reduction in the number of social rented homes available will intensify competition for private rented sector homes at the bottom of the market, driving up rents.

1 pm

**Mr Clive Betts** (Sheffield South East) (Lab): Is not the concern that we should see this in the overall context of Government policy? Not only will these council homes be sold off, with the opportunity to replace them on a like-for-like basis almost certainly not being available, but it will be very difficult for most housing associations to replace their sold properties on a like-for-like basis. As was confirmed in the Select Committee yesterday, there is no new money at all in the comprehensive spending review for any new social rented housing. At the end of this Parliament, there will almost certainly be fewer council homes to rent than there are now.

**Dr Blackman-Woods:** My hon. Friend makes an excellent point, and one that we want to emphasise this afternoon. Most commentators are now saying that there is no additional money to provide the replacement affordable housing and there are no provisions in the Bill to allow a like-for-like replacement in the same local authority for homes that are sold off.

This chapter of the Bill is not only damaging to social housing but will have a negative knock-on effect in the private sector that will mean there is simply no respite for low income families and no housing that they will be able to rent at a level that they can afford. The Government must reconsider this part of the Bill and must take this chapter out of it.

**Ms Karen Buck** (Westminster North) (Lab): My hon. Friend talks about the impact on homelessness. Across the country, there are probably millions of families in housing need who are waiting for appropriate accommodation in the social sector. A constituent I met last week has two children and lives in a one-bedroom flat. One of the children has skin cancer and they are waiting desperately for a two-bedroom home. Who should get a property—a family with that housing need or someone who can buy on the open market for £500,000 or more?

**Dr Blackman-Woods:** My hon. Friend makes a truly brilliant point that we should reflect on in the Chamber this afternoon. Many councils are telling us that they have thousands of people on their waiting lists, yet this measure will reduce further the number of homes that will be available.

Again, as the Minister is aware, we have tabled a number of amendments to try to make the pay-to-stay provisions more palatable. Amendment 95 would establish exemptions from the application of the high income rents system, while amendment 57 would ensure that the system was tapered to avoid a sudden jump in rents when an increase would apply. Amendment 58 looks to ensure that local authorities and housing associations take into account the need to promote and encourage a

degree of diversity and social cohesion in their communities, and amendment 59 makes sure that rents reflect affordability on a local basis.

Amendment 60 would establish that the application of a higher income rent should be subject to external valuation and not the whim of the Secretary of State. Amendments 96 and 61 both look to give some notice and protection should tenants be moved on to higher rents, with amendment 96 giving tenants who have been determined to have a high income transitional protection and time to enable them to relocate to another property if that is at all possible. Amendment 61 would establish that the high income rent regime would apply only to new tenants and that they would be given a new tenancy agreement.

Amendments 97, 98 and 62 are designed to ensure that what is considered to be a high income is based on local realities and a multiple of median income, but again the lack of time that the Bill has been afforded together with the incredibly unfair nature of these clauses means that I will be focusing on amendments 144 to 150 and 152 to 153, which seek to remove all the clauses, and therefore the complete chapter, from the Bill.

We are not necessarily against a gradation in rent paid, but we do not think the pay-to-stay proposals that remain in the Bill are in any way acceptable. The proposals will hit people on modest incomes hardest, and this section of the Bill is seemingly a continuation of the Government's assault on council tenants and a cash grab by the Chancellor, and it is entirely anti-localist as local authorities, and indeed housing associations, already have the discretion to charge high income tenants higher rents.

**Ms Buck:** Did not Westminster council let the cat out of the bag on pay to stay with a leaflet that it distributed last week, "A guide to the Right to Buy Social Mobility Fund", which stated:

"Under Government proposals, households with an income greater than £40,000 will pay a substantially increased rent. This is an opportunity to avoid this and become a home owner?"

Is not pay to stay about driving home ownership, rather than reflecting income in rent policy?

**Dr Blackman-Woods:** My hon. Friend makes a relevant point about the proposals.

So why are the Government now imposing this scheme on councils, if not to punish council tenants? What have they done to deserve this unique vitriol from the Minister? I remind the House that the threshold for high income, as it stands, is £40,000 per household in London and £30,000 outside London. This would hit people who earn the Chancellor's new minimum wage. Most people would think that is disgraceful. The policy will hit hardest those who are working in low paid jobs, and that is where it is going to have the most devastating effect.

**Justin Madders** (Ellesmere Port and Neston) (Lab): One of the examples that has been given to me is that of a tenant who has been offered a promotion at work but has decided to turn it down because of the consequential increase in rent under the proposals. Is that not an attack on aspiration?

**Dr Blackman-Woods:** I could not agree more. The proposals are an attack on aspiration, leaving some families with impossible choices.

As Tony Stacey, chair of PlaceShapers, which represents 100 housing associations, said, this policy conflicts with the Government's desire to get people into better paid work. He said that it was a bit perverse, compared with the Government's other policies to make work pay. If the policy goes ahead, it seems that people who are paid more for additional work undertaken or for promotion could face a sudden increase in rent or eviction.

It is interesting to see that the Government caved into pressure from housing associations and removed the element of compulsion from them, but that only means that council tenants are now being singled out for the application of these extraordinary measures. As councils say that the provisions are unworkable in any case, will the Minister explain to us why he has insisted that they should remain for council tenants?

**Chris Philp** (Croydon South) (Con): Is the hon. Lady seriously suggesting that people should receive heavily subsidised housing even if they earn very high incomes?

**Dr Blackman-Woods:** As we did our best to explain to the hon. Gentleman in Committee, such housing is often not subsidised. The point that we are making is that councils already have the discretion to set higher rents for people with higher incomes if they choose to do so. What we are querying this afternoon is why the Government are introducing an element of compulsion and why this will apply to council tenants only.

**Mr Betts:** We should kill the myth of subsidised council housing. Under the rules that this Government changed following the proposals from the previous Government, housing revenue accounts are self-funding. There is no subsidy. The only subsidies that I can see are right to buy discounts and starter home discounts that the Government are proposing.

**Dr Blackman-Woods:** My hon. Friend has won that round of the debate.

So shocking is chapter 5 of part 4 that we have tabled amendments to remove all of it from the Bill. We have tabled amendments to leave out clauses 89 and 90 and the schedules relating to them. We saw no value in amending these elements of the Bill as the ending of security of tenure for council tenants would be one of the greatest travesties for the future of affordable housing in this country. The only position we can adopt is to ask for it to be removed from the Bill entirely.

Three decades from now, when our grandchildren look back on the decisions of our generation concerning housing, their social mobility will have declined compared with that of previous generations, despite what David Cameron may think, as a result of the instability that this Government's policy creates. Having a stable home to grow up in is crucial for working families whose income barely affords them an adequate standard of living. Children should not be faced with the threat of having to change schools every two to five years when the council is forced to review the tenancy contracts of their parents. This could have disastrous effects on their education. Like a number of colleagues, I was

brought up in a council house and thus was able to acquire better educational opportunities than my parents as a result of growing up in a stable home with security of tenure. We want to ensure that that option exists for families who need it today.

However, the Government are removing the most basic protection for tenants that has existed in our country for decades—that council housing would be provided by local authorities to secure rented homes for people on low incomes, and that those homes would be of good quality. The Government need to stop attacking council tenants. I thought that we had cross-party agreement not only that the council housing sector should be valued, but that measures should be put in place to enhance its attractiveness and availability, rather than it being attacked in the way that it is in this Bill.

In 1979, 42% of Britons lived in council houses. Now, that figure is less than 8%. Government investment in social rented housing was cut by two-thirds when the coalition Government came to power. While the Government pledged a one-to-one replacement for every home that was sold under the right to buy, the latest figures show that for every nine homes sold, only one is being replaced.

The Government are wrong in their assumption that council tenants with security of tenure can afford to buy a home or live elsewhere. A recent study found that 91% of homes in England and Wales were unaffordable to homebuyers even in some areas where they had the national average income of £26,500. Local authorities, under the Localism Act 2011, already have the ability to offer flexible tenancies if they so choose. Why are the Government introducing this degree of compulsion and why do they attack council housing tenants in this way?

Recently a woman living in a council house in London told *The Guardian*:

“In the long run, London needs us service workers more than we need London. Most of us will not be able to survive with the current rental prices. We are no longer children, to be able to share a flat with 10 other people. This is a shift of the goalposts and will leave people in desperate conditions.”

**Ruth Cadbury** (Brentford and Isleworth) (Lab): My hon. Friend mentions a lady working in London who was concerned about people like her for economic reasons. Is my hon. Friend aware of the concerns about the housing crisis as iterated by the London chamber of commerce and industry? It said that the housing crisis in London is affecting London's economy, as well having a human cost, as we all know.

**Dr Blackman-Woods:** My hon. Friend makes an excellent point. We have pointed that out to the Minister on a number of occasions and provided evidence to him in Committee.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): My hon. Friend is making a powerful case. She rightly mentions London, as do a number of colleagues, because it is an acute issue, but is she not concerned that the issue exists throughout the country and that the Government's approach makes a sham of their promise to support localism, as they are riding roughshod over the ability of local councils to use discretion in this important area?

**Dr Blackman-Woods:** I totally agree; I am really pleased that my hon. Friend has reminded me that we need to consider how this area of the Bill affects council tenants and local authorities up and down the country.

Labour has tabled amendments to chapter 1 of part 4 to try to limit the negative impact of the right-to-buy provisions. Amendment 88 seeks to protect certain types of specialised housing and amendment 89 would require housing associations offering the right to buy to their tenants in London and elsewhere to reinvest all the money in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough. My right hon. Friend the Member for Tooting (Sadiq Khan) was among those who tabled that amendment.

We have also tabled amendments that would prevent property sold under the right to buy from being converted into buy-to-let dwellings for a period of 10 years; amendments that would ensure that the discount for homes sold under the right to buy remained in perpetuity; and amendments that would ensure that housing associations were able to carry out proper checks before proceeding with the right-to-buy offer. Yet again, we find ourselves stretched for time. We are facing a chapter that has the potential to decimate the social housing sector, so I will speak to the amendments as one group.

Shelter has estimated that about 113,000 homes could be lost immediately through the provisions in the Bill. The Institute for Fiscal Studies has said that owing to the scheme's current vagueness and the

"coalition's less-than-impressive record in delivering replacement housing under the existing right-to-buy...There is a risk that these policies would lead to a further depletion of the social housing stock".

What seems to have complete consensus across the housing sector is that there is no guarantee of like-for-like replacement for homes sold under the right to buy. Of course, the Minister will tell me that the Government are guaranteeing a two-for-one replacement of affordable housing, but that measure needs closer inspection. The Government's new definition of "affordable" housing in new clause 31 includes starter homes, which can be up to £250,000 outside London and up to £450,000 in the capital. That means that a housing association home sold under the right to buy can be considered to have been replaced by another house or even another two houses that will be for sale at up to a quarter of a million pounds or almost half a million in London. That is not a replacement of like for like by any stretch of the imagination.

**Sadiq Khan** (Tooting) (Lab): The definition of "affordable homes" has been described by one hon. Member of this House as "elastic and misleading". Does my hon. Friend agree with that characterisation from the hon. Member for Richmond Park (Zac Goldsmith), whom I congratulate, by the way, on becoming a dad again this week?

**Dr Blackman-Woods:** My right hon. Friend makes an excellent point. What we are trying to say in this debate is that the Government's right-to-buy proposals do not bring about like-for-like replacements. To have two very expensive homes replacing one home for social rent does not add up to a sensible policy for most people. The Government want to push up the rates of home ownership and we agree that there should be measures

to promote that. However, we do not think that those should come at the expense of the social rented or local authority sectors.

**Andy Slaughter** (Hammersmith) (Lab): My hon. Friend and my right hon. Friend the Member for Tooting (Sadiq Khan) are making exactly the right point. The idea that £450,000 homes for sale can replace socially rented homes, and when they are not in the same area, is what I understand the hon. Member for Richmond Park (Zac Goldsmith) told the *Camden New Journal* last week; if he is here, he may wish to clarify. Getting rid of council homes in inner London and replacing them with homes for sale at vastly inflated prices in outer London and beyond is not acceptable.

1.15 pm

**Dr Blackman-Woods:** I totally agree. We are attempting to show how unappealing the measures put forward by the hon. Member for Richmond Park (Zac Goldsmith) are and how they simply will not tackle the problem for Londoners.

Part 4 of the Bill is nothing but an attack on council housing and council tenants, who have already suffered under the Government's bedroom tax and cuts to council services. Adding the pay-to-stay provisions and reducing the stock available for rent amounts to a full blown attack on the council housing sector. Housing associations do not fare much better, as the right to buy could deplete their stock without adequate replacement. This is a further attack on people on low incomes and, most worryingly of all, will do almost nothing to tackle the housing crisis that so many people are facing.

We would like to remove most of part 4 of the Bill but simply do not have the time for the necessary votes. As an indicator of our great displeasure, we are going to press clause 142 to a vote, when appropriate. My right hon. Friend the Member for Tooting will press amendment 89. We call on the whole House to reject this awful Bill later today.

**Nicola Blackwood** (Oxford West and Abingdon) (Con): I shall not detain the House for long, as I am not sure that anyone would hear me. However, my constituents would expect me to raise the exceptional challenges of the central Oxfordshire housing market. Many of the Bill's measures will be welcomed locally: more stringent measures to tackle rogue landlords, the brownfield register and measures such as Help to Buy, starter homes and the Prime Minister's commitment to commission thousands more affordable homes directly.

Although commendable, the raft of policies to build more affordable houses is not in itself enough. Houses need to be built in areas that need them most. High-cost areas are either where growth is the highest or where markets are sclerotic because sites are hard to come by, infrastructure is at capacity and planning authorities are weak. In some areas such as Oxford, both those factors apply. High growth is becoming constrained by failing local housing markets. Many colleagues have local difficulties with housing, and I wish to explain briefly what our challenges are.

Median full-time earnings in Oxford are now £26,500; median house prices are £427,210. That means that house prices are 16 times the earnings of the average worker.

[*Nicola Blackwood*]

The Centre for Cities analysis has found Oxford to be the least affordable city in England when prices are set against local incomes. The number of people owning their own home in the city is well below the national average, and median private rent for a three-bedroom house is £300 a week, more than half of median earnings. Some 30% of residents rent compared with 25% in London. The House of Commons Library has found that Oxford City Council delivered zero affordable homes in 2013-14 and only 20 in 2014-15; it is ranked as the fourth worst in the country for delivering housing of any tenure. Yet Oxford requires 1,400 homes to be delivered each year until 2031.

There are lots of specific local problems. To give the council its due, I should say that we have relatively few brownfield sites and all sorts of challenges, given that two thirds of land is in private ownership. That complicates active public management. The city has a relatively low density and development is highly restricted due to the amount of protected and listed buildings. It also has 400 hectares of green-belt land within its local authority. Nevertheless, if we compare Oxford with Cambridge—a reasonable comparison—we see that Cambridge provided 550 affordable homes in 2013-14 and 320 in 2014-15.

It is reasonable for us to call for more to be done because the issue is obviously causing significant problems for our local private and public sectors. One in two senior academic appointments fails because of house prices. Oxford University Hospitals NHS Foundation Trust spends more than £100,000 a week on agency staff: it cannot recruit permanent staff because of local housing affordability. Some 30% of local businesses cite housing costs as their top barrier to recruitment. The failure to build homes where they are needed in cities constrains growth. The issue matters to the national economy as well, as such cities are the most productive and have the most jobs. If people cannot afford to live in these cities, they cannot access those jobs and businesses cannot sell to them. The economy suffers.

We are not yet getting this issue right. Between 2008 and 2013, in respect of local incomes, relatively more homes were built in Barnsley—the second most affordable city in Great Britain—than were built in London or Oxford, which are the least affordable cities. More of these homes need to be built in our most successful cities, where affordability is lowest and demand is highest.

In justifying Government amendment 112, and acknowledging the exceptionalism of the London housing market, the Minister has accepted that housing in Britain's most economically successful cities is the least affordable and that we need policies that target our affordable house building efforts towards our least affordable areas. That is little more than common sense, but we have all known too many occasions when common sense has fallen by the wayside in our legislative process.

Amendment 112 will ensure that enough receipts from the sale of high-value homes go to the Greater London Authority for it to build two affordable homes for every one sold. Obviously, the receipts left with the GLA would have to be sufficiently high to allow that. I am of course very pleased for Londoners that this important measure has been secured for them, and I congratulate my hon. Friend the Member for Richmond Park (Zac Goldsmith) on the efforts that he has gone

through to do so. This is possible for Londoners largely because house prices are so high that huge amounts of money are generated from sales, so it is reasonably easy to fund two for one without putting too big a dent in the revenue stream going to central Government.

In my view, unsurprisingly given my bias towards Oxford, this should also apply to other high-value areas such as Oxford, Bath and St Albans. I will set out how it might work in practice in our case. About 12% of council homes in Oxford would be deemed to be of high value and so the council would be under a duty to consider selling them when they become vacant. Given vacancy rates, this works out at 29 homes a year being sold rather than going to the next person on the waiting list. Our estimates suggest that 29 council homes sold on the open market in Oxford each year would generate about £8.6 million in receipts, so a similar two-for-one provision would ensure that £8.6 million stays with the council for it to provide two extra units of affordable homes for every one sold. If, say, each high-value council home sold for £293,385 each—£8.9 million divided by 29—that would ensure that enough was still going to central Government for them to do as they plan, but we would be able to provide two for one for Oxford.

Amendment 112 gives the Secretary of State the power to create exceptions to subsection (4) for other local authorities along the lines of the two-for-one provision that my hon. Friend the Member for Richmond Park has so valiantly provided for London, so that is written explicitly into the Bill. Such an exception would be essential for Oxford to ensure that we have sufficient social and affordable housing. However, I remain to be convinced that the power will be sufficient to ensure that this is delivered, following the challenges that we have faced.

**Mrs Anne Main (St Albans) (Con):** My hon. Friend is making a valiant charge on behalf of all of us who have very expensive houses in our constituencies. The median house price in St Albans is £392,000, and we are ringed by green belt. I share her concern about how deliverable this is, but we are right to push for it in areas that suffer similarly with high prices, such as London. I hope that the Minister takes that into account.

**Nicola Blackwood:** I thank my hon. Friend, and I agree with her.

The Minister has been very generous in the time that he has taken to discuss this with us. I am grateful to him for offering to have meetings with us about how we can implement the measures in amendment 112 to deliver for Oxford and other high-cost areas. We need to ensure that this commitment will be implemented as a matter of urgency and works in practice for areas such as mine where residents face a genuine housing crisis and genuine hardship on a daily basis. My colleagues from high-cost areas such as Bath, Cambridge and St Albans and I will, if necessary, look to the Lords to ensure that these measures deliver for our constituents, because affordable housing needs to be targeted towards high-cost areas where we face the biggest challenges in the country.

**Sadiq Khan:** I rise to speak in favour of amendment 89, tabled in my name and that of my right hon. Friend the Member for Wentworth and Dearne (John Healey) and other hon. Friends. I hope that colleagues will understand and forgive me if I focus my comments on London.

The Bill before us will do nothing to help solve the housing crisis facing London.

**Chris Philp:** Rubbish!

**Sadiq Khan:** The Member who has heckled describes the Bill as I would—rubbish.

In fact, on balance, the likelihood is that the Bill will make the crisis even worse. As a result, London's famed social mix is under threat. Many parts of inner London could be hollowed out, with the city becoming the preserve of the very rich. Do not just take my word for it. When the Government published this Bill, the heading on an *Evening Standard* editorial was "Don't lose social houses to fund right-to-buy". I kept a copy of the newspaper from that day. The editorial said:

"The most serious objection to the Government's proposal to allow housing association tenants to buy their homes at a discount is that its effect would actually be to diminish the amount of social housing in London at a time when demand is increasing. To fund the discount, councils would be obliged to sell off higher-priced council homes—and given the level of property prices in London, this could, potentially, be disastrous in its effects."

**Andy Slaughter:** Will my right hon. Friend give way?

**Sadiq Khan:** I will give way once and then I want to make some progress.

**Andy Slaughter:** My right hon. Friend is right to quote the *Evening Standard* saying that this will be disastrous. For many inner-London authorities, it means that the majority of their council stock will be sold. It is, in effect, the end of security of tenure of council housing in inner London. That is what the Government intend.

**Sadiq Khan:** My hon. Friend will know that I spend a lot of time visiting all 32 London boroughs. This morning I was in Camden, where people think that more than 40% of their family homes could be sold off as a consequence of this Government's Bill.

Nobody is against the aspiration of home ownership, but changes to the Bill are required, even at this late stage, to minimise the impact on London. That is why I have tabled and supported amendments all of which, to date, the Government have opposed. I hope, for the sake of Londoners, that that changes today. Amendment 89 is the "like-for-like replacement" amendment. It would say to housing associations across the country, "If you're going to go ahead with right to buy, you have to spend the money raised from the sale locally on replacement affordable housing." It has been estimated that the sell-off could lead to over £800 million a year being lost from London unless there are proper guarantees put in place to keep these receipts in the city.

The House should be wary of imitations, because other hon. Members are trying to fool Londoners by saying that their amendment will protect the city's affordable homes. I refer, of course, to amendment 112, which is in the name of the Secretary of State, but which, rather cosily, the Prime Minister and the hon. Member for Richmond Park (Zac Goldsmith) announced last week. Let me pause to congratulate the hon. Member for Richmond Park on, as I said, becoming a father again this week. I am sure that the whole House sends him and his family our very best wishes.

I say this to hon. Members and to Londoners outside this Chamber: do not be tricked by the spin and hot air coming from the hon. Member for Richmond Park and the Government; do not allow the wool to be pulled over your eyes, because all is not as the Tories would have you believe. It is a con. For a start, amendment 112 tries to make palatable the Government's plan to sell off council homes in London. The editorial in the *Evening Standard* set out three useful tests to judge the impact of this Bill. Let us look at how both amendments measure up to those tests. Under the first test,

"it is absolutely necessary to keep money raised by the sale of London council houses in London."

The amendment announced with great fanfare last week clearly fails on this front. It fails to ring-fence the money for London, which means that money raised by selling off London's council homes will still flood out of the capital to subsidise the Government's national right to buy scheme. This contrasts with my amendment 89, which would ring-fence all the money from London housing association homes sold under right to buy for new affordable homes.

On the second test, the *Evening Standard* stated:

"It could be a mixed blessing if some central London boroughs lost most of their housing-association stock even if it meant more council houses being built in outer London."

Again, amendment 112 fails on that front. It opens the door for homes to be replaced outside the borough where they are sold off. If there is any doubt that that is the case, the hon. Member for Richmond Park admitted to the *Camden New Journal* just last week the truth about the Government's and his own amendment. He owned up to the fact that inner London would be hollowed out under his amendment. He said that, under his proposals, it was a "mathematical obstacle" to replace social housing in Camden and other inner London boroughs such as Westminster and Kensington and Chelsea. There we have it: an admission that the hon. Gentleman's amendment will let London be hollowed out.

1.30 pm

By comparison, amendment 89 guarantees a replacement, like-for-like home in the borough where the original home is sold, before the rest of the money is spent on more affordable housing across the capital. My amendment will do exactly what it says on the tin.

The third test set out by the *Evening Standard* reads:

"A healthy housing sector is a mix of private ownership, private rentals and social housing: the Government, in its attempt to promote home-ownership, should not forget the rest."

Under amendment 112, the reality is that the so-called affordable homes the Government promise to build could all be for sale for nearly £500,000. I politely tell the hon. Gentleman that in few people's eyes are homes that cost £450,000 affordable.

We know just how interested the Prime Minister is in getting hung up on what is and what is not truly affordable. His response last week to those who dared to suggest that £450,000 was not really affordable was remarkable. He said that

"people get too hung up on these definitions...the definition of affordable housing is a house that someone can afford to buy or afford to rent".

Let us think about that for a moment. On that measure, some of the most expensive homes in London, such as the £26.5 million Holland Park mansion sold last year,

are affordable, because someone has been able to buy them. That shows just how far from reality and out of touch the hon. Member for Richmond Park and this Government are with the housing crisis. Last week, the hon. Member for Richmond Park told the *Camden New Journal* that the term “affordable” has become “elastic and misleading”.

**Chris Philp:** Will the right hon. Gentleman give way?

**Sadiq Khan:** I will give way to the hon. Gentleman, who has been heckling me loudly and rather rudely from a sedentary position.

**Chris Philp:** I am sure the right hon. Gentleman would never heckle from a sedentary position. The starter home provisions give a 20% price cut to every first-time buyer, which is very welcome. In my borough of Croydon, the average 20% discount means that a starter home would be only about £220,000 or £250,000, which I am sure even he would agree is extremely affordable.

**Sadiq Khan:** It usually takes a parliamentarian years to become out of touch, but the hon. Gentleman has done it in six months. Shelter says that for someone to be able to afford a £450,000 starter home, they will have to earn an annual salary of £77,000 and have a deposit of £98,000. Let us put aside for the moment the nurse, the junior doctor and the bus driver—people who get a starter job in a top FTSE 100 company in the City of London will not be able afford one of the Government’s starter homes. That is how out of touch the Conservative mayoral candidate and the Government are.

**Tim Farron** (Westmorland and Lonsdale) (LD): The right hon. Gentleman makes a good case. I understand entirely why he is focusing on London, but we must not allow the Government to pretend that London is a specific and solitary special case. There are many parts of the country, particularly the Lake district, the Yorkshire dales and many rural parts of the United Kingdom, where house prices are incredibly expensive, wages are low and the availability of social rented housing is essential to the social mix of those communities. Does he agree that that is not just a problem in London?

**Sadiq Khan:** I agree completely with the hon. Gentleman, but I would go a step further. I do not think that the Government are making a special case for London; I think that the combined effect of the Chancellor’s autumn statement and this Bill shows that the Government have it in for London.

As I have said, I visited Camden today, where the average cost of a property to rent is 73% of the average income there. So much for the Conservative mayoral candidate being in touch with Londoners. We also discovered last week that the Government are watering down the definition of what is affordable to include starter homes that cost 17 times the average British salary. By comparison, my amendment 89 would guarantee a new home for social rent to replace one that has been sold.

In short, amendment 112 is, to quote once more the hon. Member for Richmond Park, “elastic and misleading”. My amendment is clear and firm. It meets the tests that

Londoners expect and I urge Members, especially anyone who claims to understand the housing crisis in London and who wants to help fix it, to ignore the overblown claims about amendment 112 and instead support my amendment 89.

**Zac Goldsmith** (Richmond Park) (Con): I will be brief, because we do not have a lot of time. Clearly, we are discussing a national issue and concern, but there can be no doubt that housing is the No. 1 issue for London. Last year, prices rose by about 10% on average. The average price for a first-time buyer in London is now more than £400,000. No one can argue that Londoners today are not being priced out of their own city. It is no longer just a social problem—that point has already been made in relation to another city—because it jeopardises London’s economy as well.

The bottom line is that we need to build more and we need to build for people across the entire income spectrum. It is no good taking a polarised approach with a zero-subsidy option on the one hand and social housing on the other. We need to ensure that the market can accommodate young professionals, key workers and the like—people who perhaps do not qualify for social housing.

I was pleased with the Government’s interventions last week, with an emphasis on shared ownership, which will work around the country and have a particular impact in London. There is also going to be a London version of Help to Buy, which has been a very successful scheme nationally, but less successful in London, because we live in a different world here. The prices are so out of kilter with the rest of the country that that bespoke offer will have an impact. Finally, we have the two-for-one amendment under discussion.

I have a few questions for my hon. Friend the Minister. Amendment 112 requires that two new affordable homes be built for every single high-value council home sold as a consequence of the extension of the right to buy. That is based on my amendment, as has been acknowledged, and I sincerely thank my hon. Friend the Minister for his diligence in making it work.

**Andy Slaughter:** Will the hon. Gentleman give way?

**Zac Goldsmith:** Just give me a moment, please.

When my hon. Friend the Minister wraps up on this group of amendments, will he update the House on his discussions with London’s local authorities about how they will be able to work together to deliver the homes that London needs? I know that he has been having discussions with council leaders from all the different parties in both inner and outer London. It would be good to have an update.

May I ask my hon. Friend about housing associations? They are absolutely essential to the delivery of the next generation of homes. I believe that the G15, the group of 15 London housing associations, has already committed to delivering a one-for-one replacement of any home that is sold, but it has also said—it has told me this—that it could deliver a great deal more.

**Ms Buck:** Will the hon. Gentleman give way?

**Zac Goldsmith:** In just one moment, if the hon. Lady does not mind.



The G15 would even be able to replace each home sold with two new homes, provided that the Government give it the flexibilities it is asking for and, even more importantly, access to public sector land. Will the Minister commit to looking carefully at the flexibilities for which housing associations are asking, and will he look at the most critical issue, which is access to public sector land?

As my hon. Friend knows—he can take some credit for it, along with my hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson)—the London Land Commission is now live. It will provide a complete inventory of all publicly owned brownfield land in London, and we will have the figures shortly. We do not have all the details yet, but we know that an enormous amount of publicly owned brownfield land could be developed. We know that to build the homes we need, such land absolutely must be released, so it would be useful to hear from the Minister, when he wraps up the debate, whether he has a likely timetable. When will we have the full picture, and what will be the process for releasing that land both to housing associations and to developers?

**Andy Slaughter** *rose*—

**Zac Goldsmith:** I said I would let the hon. Gentleman intervene, and I will let him do so before I finish my speech.

**Andy Slaughter:** Will the hon. Gentleman make it clear whether he agrees that the forced sale of empty council properties is a good idea or a bad idea? If it goes ahead, does he agree that those properties should be replaced with like-for-like in the same local authority area? Is that his position?

**Zac Goldsmith:** As the hon. Gentleman knows, I stood on a manifesto that included a commitment to extending the right to buy to housing association tenants. That is the right policy: it will enable hundreds of thousands of people to achieve home ownership who would otherwise not be able to do so.

**Clive Efford** (Eltham) (Lab): Will the hon. Gentleman give way?

**Zac Goldsmith:** In a second: I am just answering the previous intervention.

That achievement would not be possible without the sale of empty high-value council homes. If, as a consequence of amendment 112, each sale leads to two new affordable homes being built, I would regard that as a good thing for London.

**Ms Buck** *rose*—

**Clive Efford** *rose*—

**Zac Goldsmith:** I am not going to take any more interventions. [*Interruption.*] I did take an intervention.

Finally, will the Minister commit to ensuring that public bodies can take the widest possible and longest term view of best value when releasing land? That point has been raised with me time and again by great and small developers, as well as by housing associations. We need a redefinition or an expanded definition.

**Mr Richard Bacon** (South Norfolk) (Con): The National Audit Office study of the disposal of public land showed

that, in the last tranche, enough land was sold off for 109,500 potential homes. Does my hon. Friend agree that people do not live in potential homes, but actual homes, and that it is essential for the public interest to make sure, when a sale takes place, that there is a plan to ensure that something happens in a timely manner?

**Zac Goldsmith:** My hon. Friend makes my point for me. That is absolutely essential. We will not get best value out of the available public land with a rapid fire sale; that will require a much more coherent and strategic view from public bodies. I hope we will see more of that as a consequence of this Government's intervention.

I thank the Minister again for the work he has put into delivering the two-for-one amendment. I am very grateful to him for amendment 112, which will ensure that the Bill works for London.

**Mr Betts:** Let me first welcome the amendments tabled by the Government, as the Minister announced to the Communities and Local Government Committee before Christmas, to make the pay-to-stay scheme voluntary for housing associations, which is a sensible move. My argument is that what is good enough for housing associations should be good enough for local councils as well, and that councils should have the discretion under the pay-to-stay scheme to operate within their housing revenue accounts, which of course receive no subsidy from the general taxpayer. The Government could easily do that without affecting the general public finances in any way. In the spirit of localism, the Government should do that.

I turn to the sale of high-value local authority houses. In Sheffield, we live in a slightly different world from the prices in London. The Prime Minister got rather alarmed when he saw council houses valued at £1 million, but most of the houses in Sheffield that will be sold under the legislation are good-quality family homes that are promised to be sold for about £100,000 to £150,000. However, the reality of the Government's proposals is that all vacant houses in certain parts of Sheffield will be sold off under the Bill. High-value houses tend to be in high-value areas, which means that, for people on the council waiting list, there will in future be parts of Sheffield where no vacant properties will come up for people to rent. That is the reality: people can be on the waiting list for such a home, but the wait will be forever, because no vacant properties will ever become available. The chances of properties being replaced on a like-for-like basis in those areas of a city such as Sheffield are non-existent. After the discount for right-to-buy properties has been funded, there simply will not be enough money left to replace one social rented property with another.

1.45 pm

I accept that the Government have a mandate to bring in the right to buy for housing association tenants—they were elected on that policy—but it would be much fairer if the policy were funded by general taxpayers as a whole, rather than solely by prospective social housing tenants who, as a result of the policy of councils having to sell off their high-value properties, will not have a home to rent in the future. It is unfair that only one

section of the community—a more deprived section—should be the one that has to fund and pay for this Government policy.

It is also totally unfair for councils that have sold off their properties in a stock transfer to have to make no contribution at all towards the policy, and for the totality of a policy funding housing association sales all over the country to be paid for only by some councils or council residents, not by others. Why do the Government think that a policy which is national in nature should not be funded nationally, but should be funded only by councils that happen to have retained their council housing stock? There is no logic in that. There would be a lot more understanding of, and agreement with, the housing association right to buy and its consequences if the Government changed that aspect of how the policy is funded.

I turn to security of tenure and the rather nasty, mean-spirited schedule 4, which the Government introduced in Committee. Why are council tenants deemed to be second class? Why have the Government got it in for council tenants? When, during the last Parliament, the Select Committee looked at the private rented sector, it was pretty obvious that one of the biggest problems people have in the private sector is the lack of security. We should try to give people in the private rented sector greater security. Many people will remain there, probably renting privately for the rest of their lives, so they need great security. Instead of giving private sector tenants greater security, why are the Government doing exactly the opposite by transferring the problems of the private rented sector to the council sector and by giving council tenants insecurity? Just what is the logic of doing that?

Let us look at the impact of the policy on families. This is about not just families having to move home, but their having to uproot and change jobs—finding another one if they can—and kids having to move schools. There is nothing more damaging to kids' prospects and to their future lives than having their education constantly disrupted by having to move house and having to move from one school to another. That is what the Government are moving towards by bringing in this policy.

**Catherine McKinnell:** My hon. Friend is, as always, making a very powerful speech. This issue will affect not just individual families, but entire communities. If families feel that they may have to move within a very short period, what incentive do they have to get involved in the local community, put down roots or build community ties that will be cut unnecessarily quickly?

**Mr Betts:** My hon. Friend must have been looking over my shoulder. I am sure she cannot read my handwriting—it is very difficult at the best of times—but that is exactly my next point. This is not just about individuals in their own home; individuals who are part of the wider community may join and become active members of their local tenants and residents associations only to be told that their home has suddenly gone, and the community life with it. The community, as well as such individuals, will lose out.

Of course, it is not just families who will be affected. A pensioner in their family home who has retired might decide that they want to move to a bungalow or flat that is more suitable to their immediate needs. I think that this legislation applies to people of retirement age, but

perhaps the Minister could confirm that. If that pensioner is in a secure council property, they now face the prospect of moving into pensioner accommodation that does not have a secure tenancy.

We are therefore asking people to take the risk of moving from a family home with a secure tenancy to pensioner accommodation without that security. That will undermine mobility because it will mean that fewer family homes become available and that such pensioners cannot move on to more suitable accommodation. If they do, they will be faced with the prospect of being turfed out of that accommodation in their 80s on the wish of their landlord. It simply cannot be right to put pensioners in that position.

**Justin Madders:** One argument that was put forward in support of the heinous bedroom tax was that it would encourage people to move to smaller properties when the opportunity arose. Is not what my hon. Friend has just described completely inconsistent with the aims of that policy?

**Mr Betts:** This proposal will indeed discourage people from moving from a secure tenancy on a family home to an insecure tenancy on a smaller property. If it is the Government's intention to ensure that people who have more space than the Government think they need move home, surely the answer is to build more properties in the first place so that there are more social rented properties for the people on the waiting lists who need them.

Finally, let us take this down to an individual level. Imagine a family sat around their breakfast table or a pensioner couple, who are now on a fixed-term tenancy, sitting in their home. They are waiting for the postman to come, bringing a letter from their local council or housing association. Perhaps in future, it might be called the "Lewis letter" when it drops on people's doormats. That Lewis letter, when they open it with trembling hands, will tell them, without any forewarning, some six to nine months before their tenancy ends, whether they can stay in their home—these are not houses, apartments, flats or bungalows, but people's homes at the end of the day—at the whim of the council for another five years, whether they can move to another property that is some distance away in a different neighbourhood, with a different school, or whether they will have no home at all from the council in the future. Just feel the tension in that household when the Lewis letter drops on the doormat and people open it. Even if the answer is, "Yes, you've been a good tenant and can stay in your home for another five years," the trauma that this will put people through is beyond measure.

I hope that the Government will think again. This schedule is mean-minded and dreadful. I hope that the Government withdraw it and, if they do not, that amendments 142 and 105, which were tabled by my hon. Friend the Member for City of Durham (Dr Blackman-Woods), will be successful, so that we can give families, pensioners and everyone else the security of tenure that they rightly deserve.

**Ben Howlett (Bath) (Con):** I have kept the House up to date with my struggles to get on the property ladder as a 29-year-old. Just before the Christmas recess, I managed

to get on the property ladder with my partner after a struggle of about 10 years. I listened to the speech of the right hon. Member for Tooting (Sadiq Khan) on the lack of house building under this Government, but I have been struggling to get on the property ladder for the past 10 years, like thousands of young professionals around the country, and I am afraid that he was a member of a Government who built far fewer houses than we are building today.

Thousands of my constituents in Bath, which is one of the least affordable cities in the UK, are also struggling to get on the property ladder, so I empathise with them. Put simply, we need to build more houses than we have done previously. It will not surprise anyone who has visited Bath to learn that it is one of the top 10 most expensive places to live, taking into account local earnings ratios. In Lloyds bank's latest affordability review, Bath is ranked above Greater London as the sixth most expensive place to live in the UK. That means that for many people in Bath, buying a home will remain only an aspiration for a very long time.

Furthermore, it will not surprise the Minister to hear that my constituents fear that the much-needed rail electrification of Brunel's Great Western main line, which is under way thanks to this Government's investment and which will improve train journey times into London, will make the cost of buying a home increasingly unaffordable, forcing Bath residents to wait even longer before they can make the first step on to the property ladder.

Proposed new subsection (4) of clause 72 in amendment 112 shows that the Government are committed to increasing the number of affordable homes in London, where Generation Rent seems to have taken hold. Such changes prove that this is the party of opportunity that will help everyone to reach important life goals such as buying their own home. I welcome the announcement that the Government will ensure that in London, two affordable homes will be built for every high-value unit that is sold in the city. I congratulate my hon. Friend the Member for Richmond Park (Zac Goldsmith) on championing that proposal. Having worked with him in the past, I am certain that he will make a superb Mayor of London.

**Mr Mark Prisk** (Hertford and Stortford) (Con): My hon. Friend is rightly highlighting the challenges in Bath. I know that the same is true in Oxford and elsewhere. The two-for-one principle that my hon. Friend the Member for Richmond Park (Zac Goldsmith) has identified merits consideration in other hotspots. Does my hon. Friend hope, as I do, that the Minister will consider that carefully?

**Ben Howlett:** Yes, I absolutely endorse my hon. Friend's comments. I see from the amendments before us today that that is being considered. I welcome the assurance that the Government will look at replicating the proposal in other high-price areas such as Bath, St Albans, which we have heard about today, and Oxford using proposed new subsection (6) in amendment 112.

Development is under way on brownfield sites in Bath such as the Foxhill development, which recently received an extra £313,000 of Homes and Communities Agency funding. That will help to build more homes on brownfield sites. I am pleased to see that the Government

are committed to building more affordable homes in London and other expensive areas. I desperately look forward to working with the Minister, as do other colleagues, on rolling out amendment 112 to other high-cost areas.

**Ann Coffey** (Stockport) (Lab): I wish to make a few remarks on the impact of the Government's proposals on Stockport.

The impact of the sale of high-value properties will be an issue in Stockport because property prices are high and land is scarce. Even a committed arm's length management organisation such as Stockport Homes will find it a struggle to find funding for the building of new homes, whether for rent or sale.

For the high-value proposal to operate fairly, it will have to operate on a local level to ensure that no one authority bears the brunt of the sales. In Greater Manchester, for example, a regional high-value level could mean that Stockport sells the vast majority of its stock because it has higher property prices than most areas in the region. Depending on the scale, that could have a significant effect on the ability to meet housing need in the borough.

The new pay-to-stay thresholds should take into account the cost of private renting in each area, as well as income. The Bill proposes pay-to-stay market rents for people who earn a combined household income of £30,000. That threshold is very low. A couple who both work full time at the average Stockport wage of £19,083 would have to pay a significantly higher rent than their neighbours. Let us say, for example, that it was set at £40 a week. In August 2015, the rents in private rented accommodation in Stockport were twice Stockport Homes' average rent of £74.60 and there was a limited supply. Clearly, moving to the private sector would not be an option. The problem is that £40 a week is still a lot of money to find and may be unaffordable for a family.

One way out would be for people to earn less money to ensure that they do not meet the threshold by cutting the hours they work or leaving a job altogether. Clearly it cannot be right that the proposal would provide a disincentive for people to work the maximum number of hours they can. That runs counter to everything the Government espouse. The cost of renting privately varies greatly from area to area. It would be better if the pay-to-stay market rents that are to be introduced took account of the average income of couples and rents in the private sector in the area so that there are no disincentives to work.

I hope that the Minister will consider the situation for care leavers under his proposals. Housing benefits for single people under 35 years of age will be capped at the shared accommodation rate. That proposal might make it even more difficult than it already is for young people to find a home they can afford. About 1,800 of Stockport Homes' current tenants are under 35 and receiving some level of housing benefit. The changes would mean that the social housing and private rented sectors will become increasingly unaffordable, and young people will be at increased risk of homelessness, at a time when homeless acceptances have risen nationally by 36% since 2009, and by 15% in Stockport over the last year. The typical young person under 35 will need to find the difference between the average Stockport

[Ann Coffey]

Homes rent of £74.60 a week, and the shared allowance rate of £62—a cut of £13 a week once the changes come into effect, and obviously more in the private sector.

2 pm

Under the proposals, care leavers are exempt from the application of the shared local housing allowance rate only up to the age of 22, yet care leavers are often vulnerable people with complex support needs and problems that can last all their lives. It is therefore important that care leavers are excluded from the shared accommodation housing benefit cap beyond the age of 22. They do not have the alternative of moving in with family members as many other young people do, and they are likely to live alone for longer than the average young person. It is therefore problematic to impose such a low exemption age, so I hope that the Government will further consider the circumstances of care leavers when the Bill goes to another place.

**Mark Field** (Cities of London and Westminster) (Con): Like all London MPs, particularly inner-London MPs, I welcome any efforts that boost supply and tackle what has become an emergency situation for our capital city. Research by the City of London Corporation found that even the cheapest 10% of London's houses are affordable only for the highest earning 25% of workers, and businesses now believe that housing supply costs are a significant risk to the capital's economy.

We have heard contributions from MPs who represent Oxford, Bath, Sheffield and other cities, and it is increasingly apparent to me that there is now also an acute need for specific, London-based solutions to housing costs, so I hope that we can capitalise on the enthusiasm that we have heard in the House today towards devolution in that regard. I would like briefly to share with the Minister the thoughts of my two local authorities, and those of local housing associations, in the hope that we can start to carve out a proper London housing policy.

In almost every speech that I have made in this House on housing in the past 15 years, I have lamented the increasing polarisation of central London, to which my hon. Friend the Member for Richmond Park (Zac Goldsmith) referred. Those on medium incomes, and increasingly even those on high incomes, have been pushed out to cater for a new global super-rich and those who qualify for precious social housing. I say to my hon. Friend, and to the right hon. Member for Tooting (Sadiq Khan), that as Londoners we recognise that we are an attractive city, largely because of the social capital that generations of Londoners before us have built up, but many future generations of Londoners will not have the opportunity of benefiting from that social capital.

**Clive Efford:** The right hon. Gentleman represents a major part of central London that has some of the highest land and housing values. Will he answer the question that the hon. Member for Richmond Park (Zac Goldsmith) completely avoided and say whether he agrees that the two-for-one policy is absolutely worthless unless the income from the sale of those houses is reinvested in the same local authority area in central London?

**Mark Field:** It is not absolutely worthless, although I echo the comments made earlier on that issue, and hope that the Minister—as well as accepting amendment 112, to which I was a co-signatory—will indicate that as far as possible the Government will wisely consider the legal terms and the wording of the amendment. The wording does not guarantee that the proceeds of any sales will be retained in London; it simply governs the terms of agreements that the Government might choose to make to that effect. It would be helpful to have something on the record about the strength of the commitment to ensure that there is replacement building in the capital, but I will leave that to the Minister.

It is fair to say that plans to allow housing association tenants the right to buy their homes came as a bit of a rabbit out of a hat before May's general election. I appreciate and agree with the general aspiration to roll out home ownership to as many people as possible, but I worry that forced sales will deplete stock, and that once a windfall has been pocketed the property concerned will simply be rented out to a high earner. That is what has happened in many housing estates in my constituency, where the second or third buyer after a sale under the right to buy has been—dare I say it?—a well-paid yuppie.

**Mr Betts** *rose*—

**Mark Field:** I will not take any more interventions because I know that other Members want to speak.

On a philosophical level, I confess that I am uneasy about the principle of the forced sale of properties that have been built or bought with private, philanthropic donations, and without Government grant. In the case of Peabody—a major social housing provider in my constituency—that approach risks disregarding the intention with which the founder, George Peabody, made his original charitable endowment in the late 1800s, when 10,772 Peabody homes were built without Government grant in my constituency and slightly beyond. I accept that we crossed the Rubicon on that with leasehold reform legislation over the past 30 years, but I worry about the precedents we are setting. It has already been mooted by Opposition Members that buy-to-let landlords should be forced to sell their homes to tenants. I think that would be entirely wrong, but it would probably be the extension of what is proposed.

That touches upon the inherent “fairness” of this policy. Had the Secretary of State been here, I would have taken him on a walk down memory lane. He was a former councillor in my constituency and the Warwick ward of Pimlico, and I walked through that area two or three weeks before the general election, canvassing the stucco-fronted homes of Cumberland Street. On one side, tenants of London and Quadrant pay perhaps £100 per week rent for their flats, whereas on the other side, in almost identical properties, private renters—I accept that this is a hotspot of central London—are paying £350 per week. Already those tenants are in a financially disadvantageous position, yet the former group will get a discount on the purchase price of their properties, and will potentially be able to rent them out further down the line. I question the fairness of giving such huge advantages to those already in secure housing, yet giving no advantage to those in the private rented sector whose voice is perhaps not heard as loudly in this debate, particularly from Labour Members. Central London is an extremely expensive place to live.

I have spoken to a number of housing association residents, such as Lee Millan of the Golden Lane Estate Residents Association in the City of London, and Nicole Furre of the Seven Dials housing co-operative. They pointed out that charging families to “pay to stay” in their council home if they earn more than a certain level of income—£30,000 a year outside London, or the relatively modest amount of £40,000 in central London—also introduces unfairness. For a family in my constituency, £40,000 is not a large amount, and I believe that the cap should be set higher and staircased so that people pay rent that is linked to what they are earning at a particular time. There is also a natural worry that the starting level of that cap might be reduced as time goes by.

There is much that is good in the Bill, and I wish to end on a positive note, but all London MPs share some major worries. Meeting the housing needs of the capital requires the commitment and action of all local authorities, and to help to address those shortages I am proud that the City of London Corporation has committed to building 3,700 new homes by 2025, many of which will be outside the square mile—as many Members will know, some of the most successful London housing estates outside the square mile are run by the corporation. The programme will be funded through planning gain receipts, grant funding, borrowing through the housing revenue account and a cross-subsidy from the market sales of new homes.

I am sorry that I have concentrated on London, but Members will appreciate why I have done so. All London MPs know only too well that our city will function successfully only if we start thinking creatively in a way that a number of Members from—dare I say it?—both sides of the House have been doing. Together, we must try to address the housing crisis. Once the Bill is on the statute book, as I hope it will be soon, all London MPs stand ready to help the Government—and any future Government—to ensure that we are able more successfully to tailor London’s housing policy so that the social capital to which I referred earlier is kept intact. Some issues of constrained housing supply can be addressed only at a national level, and I look forward to hearing the Minister’s response to this timely debate.

**Helen Hayes** (Dulwich and West Norwood) (Lab): It is a genuine pleasure to follow the right hon. Member for Cities of London and Westminster (Mark Field), who agrees with many of the concerns about the Bill that have been raised by Labour Members. Today we are debating provisions on affordable housing, which has been the subject of much deliberate confusion, and smoke and mirrors, by the previous coalition Government and the current Conservative Government.

The Mayor of London has tried to redefine affordable rent as up to 80% of very high private market rents. To put it simply, that is anything but affordable to the vast majority of Londoners. Rent now consumes an average of 62% of Londoners’ income, and the Government now include a starter home of up to £450,000 within the definition of affordable housing. That will not wash; something does not become affordable simply because the Government label it so.

Across the country, we need more social housing at rents that are directly related to the income of lower-income households, more intermediate housing for key workers and middle earners to rent or buy, and more low-cost

starter homes for those taking the first step on the home ownership ladder. That is what the people of this country aspire to and it is what the Labour party will campaign for. These clauses have been drafted by a blinkered Government who have no interest in carefully assessing and responding to housing need as it really is, and every interest in peddling a myth of accessible home ownership to people, many of whom stand very little chance of achieving it. By doing that, they are trading off the interests of one section of the community against those of another.

In my short time as an elected Member of this House, I have spoken several times in the Chamber about the extent of my constituency’s housing need. I represent a part of the London boroughs of Lambeth and Southwark. Each borough has more than 20,000 people on the waiting list for a council home. Each week, my surgery is full of people who come to see me because they are in desperate housing need.

**Mr Prisk:** The hon. Lady is a fellow member of the Communities and Local Government Committee. She rightly said that an artificial and fixed definition of affordability does not work, and that the move to relate affordability to an individual’s circumstances, which is central to the Bill, goes in the right direction. Is my interpretation of what she said right?

**Helen Hayes:** A definition of affordability that bears no relation to median income—the key test—is meaningless.

**Mr Prisk:** On that point, will the hon. Lady give way?

**Helen Hayes:** I will not take a further intervention from the hon. Gentleman for the time being, if that is okay.

Each week, people ask me why they should have to live in damp, overcrowded and extortionately priced private flats, why their children should be subject to the insecurities that come with short-term tenancy after short-term tenancy, and who is going to help them in their housing need. Many more people will find their situations made much worse as a consequence of the Bill than will be helped by it.

A family who came to my surgery late last year is typical of many who contact me. The mother is a part-time teaching assistant who is studying to become a teacher, while the father is a pharmacy technician. They live in a two-bedroom housing association property with their four children. The two older girls, who are both at secondary school, share a top bunk, while their two younger siblings share the bottom bunk. The parents described the toll that the situation is taking on their relationship. Their older daughters, who are model students, are often tired and stressed at school. The family works hard and could not have more aspiration for a better life, but their situation will be made worse by the Bill. They will not be able to afford to exercise the right to buy their housing association home, and even if they could, that would be a pretty big gamble, since it is not suitable for their needs. The family home that they desperately need is likely to be exactly the type of home that will either be sold under right to buy, or that councils will be forced to sell to fund the right to buy for other housing association tenants. The Bill delivers nothing for this family, nor for many other residents like

[Helen Hayes]

them who cannot raise a mortgage but nevertheless have significant housing need that should not and must not be ignored. I sat and wept with this family as they described the sheer unfairness and impossibility of their situation.

During yesterday's sitting of the Communities and Local Government Committee, I was dismayed to hear senior CLG officials confirm that they have not yet completed any analysis of the likely sums that will be raised from right-to-buy sales and the forced sale of council homes. The Government therefore simply do not know whether the funds will be available to replace housing association homes that are sold under right to buy, and still less at a rate of two for one. The Select Committee heard evidence from an officer at a Conservative-led local authority in Cambridgeshire who said that the council was up to the limit of the borrowing cap against its housing revenue account. When its high-value homes are sold, the first call on the receipt will be HRA debt repayment. Once the subsidy for right to buy has been deducted, there will be almost nothing left to deliver new homes. Members are being asked to vote on a major housing reform without any evidence that it can or will deliver what the Government promise that it will.

There are further attacks on affordable housing in the Bill. The pay-to-stay clause, which is introduced with no taper and no lead-in time, is simply a Conservative tax on hard work and aspiration. There is a deep inconsistency within pay to stay. On the one hand, the Government have decided that a household comprising two people earning the new minimum wage outside London or the London living wage—by definition the minimum required to live on—is “high earning” yet, on the other hand, the Government take a different view of the high-earning threshold for tax purposes. The two are not the same figure.

2.15 pm

The impact of pay to stay will be that rents rise to market levels overnight. I cannot see any justification at all for requiring the rent paid by residents living in social housing and earning the minimum wage or the London living wage to be doubled or, in some parts of London, much more than doubled. Pay to stay will break up communities and it will price people out of their homes despite the fact that there is no private sector or other affordable housing for them to move into. It will increase homelessness and act as a disincentive to seek promotion at work or to take on more hours. It is a Conservative tax on aspiration.

Finally, there is the measure to end secure tenancies, which was introduced on the final day of the Public Bill Committee, meaning that members of that Committee had no opportunity to hear the views of residents or councils about the proposal. That shoddy way of legislating shows contempt for this House and for the constituents and communities we serve. Councils already have freedom under the Localism Act 2011 to end secure tenancies, but the compulsory imposition of the ending of secure tenancies is yet another anti-localist measure that slashes councils' freedom to respect and respond to the views of their tenants and residents, and to address local housing need in the best way for their local area. I have received emails from constituents who are terrified about the

possibility that they will be forced to move home, to move their children to a different school in a strange area, and to seek new jobs and childcare arrangements.

The solution to the housing crisis is not to engage in a race to the bottom on security of tenure, nor to recognise only the aspirations of those who are able to raise a mortgage. The solution to the housing crisis is to build more genuinely affordable homes across all tenure types and to regard social housing as an investment that pays for itself many times over, both financially in comparison with private renting, and in the social benefits that it brings.

**Stephen Hammond** (Wimbledon) (Con): I am pleased to have the opportunity to speak in the debate, given that I was a member of the Public Bill Committee. I note your strictures about keeping speeches short, Madam Deputy Speaker.

Had I listened to the debate without any knowledge, I might have been persuaded by Opposition amendment 142, which deals with security of tenure. However, all is not as it is being portrayed—in fact, far from it. It is a privilege to follow the hon. Member for Dulwich and West Norwood (Helen Hayes), who was a town planner for many years and served on the Bill Committee with me, but she should be reassuring the constituents whom she claims are frightened. The changes to security of tenure do not apply to anyone who currently has tenure, which has conveniently been forgotten in much of the scaremongering led by Opposition Front Benchers.

Equally, I cannot be alone in hearing a number of housing associations and councils saying that the balance in the housing stock, where need is not matched by current occupation, is not right. It is therefore only right that as future tenancies come up, we ensure that stock is used most appropriately across the affordable housing market. This has not been mentioned today, but tenancies will be expected to last for five years. They will not be automatically thrown out after five years. There will be a review and the landlord will need to prove why he is removing a tenant.

It is a surprise to hear the Chair of the Communities and Local Government Committee, the hon. Member for Sheffield South East (Mr Betts), who is usually much more advanced on these matters than I am, clearly miss out the two important points that detract from his argument. First, the Government have already said to local authorities that there are exceptions when people move tenure. They can grant new life tenures, in particular for people moving jobs and for the elderly. Secondly, he clearly missed what the Government have said to housing associations about the elderly and those with disabilities because, in those cases, the presumption on the housing authority will be to provide life tenure. It is important to get those facts on record because they clearly negate the argument for amendment 142, which I strongly urge the Minister to reject.

**Mr Betts:** On the point about discretion, in schedule 4, proposed new section 81B(2)(b) of the Housing Act 1985 excludes the requirement to give a new secure tenancy except in cases when

“the tenant has not made an application to move”.

In other words, if the tenant has made an application to move to a smaller property, they cannot be guaranteed a new secure tenancy, according to the Bill.

**Stephen Hammond:** I hope that the Minister will clarify that point, but the key thing is the possibility of new longer tenancies, especially for elderly people, which deals with the point that the hon. Gentleman raised earlier.

I support amendment 112. Many Members have spoken about hotspots and affordability, so I will not rehearse those arguments, but suffice it to say that my hon. Friend the Member for Richmond Park (Zac Goldsmith), who previously tabled such an amendment, has been leading the debate on the matter. The right hon. Member for Tooting (Sadiq Khan) talked about pulling the wool over Londoners' eyes. I will not challenge his statistics, some of which were questionable, but the key thing that Londoners need to remember about the amendment is that it is a two-for-one provision, whereas amendment 89 represents a one-for-one provision. On that basis alone, Londoners would be wise to support amendment 112, which I am delighted that the Minister, having listened to the arguments, has brought forward today. I hope that the House will support that amendment in the Lobby later.

**Caroline Lucas** (Brighton, Pavilion) (Green): Many of us have said repeatedly that we have a major housing crisis and that not only is the Bill a missed opportunity to take the necessary urgent action, but it will make a bad situation worse.

My new clause 39, which I plan to press to a vote, would draw on the work done to establish a nationally agreed living wage level—that agreed by the Living Wage Foundation, not the pale imitation the Government like to call a living wage but which is nothing of the sort—and establish a living rent commission, adopting and linking to the principles behind the living wage commission, to calculate what a genuinely affordable level of rent in different places would look like, bearing in mind other costs of living and wage levels. It could also incorporate other factors, such as tenancy security, by taking into account the average length of tenancy in a given area.

Just as the living wage is demonstrably good for employers, employees, society as a whole and the local economy, so too could a living rent lead to significant benefits for all. To best understand what those might be, I hope the House will bear with me while I remind colleagues of the scale of the crisis in Brighton and Hove. As others have said, the problem is by no means limited to London.

Research released by HomeLet today reveals that tenants in Brighton and Hove, where my constituency is based, along with those in Bristol, suffered the worst rent rises of anywhere in Britain last year. Landlords raised prices by an average of 18%, meaning that Brighton and Hove has become only the second city in the country where rents have passed the £1,000-a-month barrier. These record rent rises mean that a typical flat in the city now costs £1,078 a month and that the average earner has to put aside 65% of their salary just to pay for a typical two-bed flat. That is simply untenable.

Given that Brighton and Hove has one of the biggest private rented sectors in the UK—about 30% of the housing stock is in the hands of private landlords—the impact of such rent rises is widely and deeply felt. High rents in the private rented sector have an inevitable knock-on effect on rents in the so-called affordable

housing sector, too, and the cost is disproportionately borne by individuals and the state. People on low incomes are going without food and heating to pay rents. People who grew up in the city are having to move away from friends, family and communities to afford enough space to have children. A 2012 assessment of affordable housing need identified 88,000 households in Brighton and Hove—72%—that could not afford to buy or rent without some subsidy or spending a disproportionate level of their income on housing costs. The chief executive of Brighton Housing Trust, Andy Winter, has warned that by April 2017, when the local housing allowance changes in the autumn statement come into effect, 75% of its properties will be unaffordable for under-35s, meaning people will have nowhere to go.

New clause 39 would tackle some of those problems head on. A living rent commission would consider the facts and recommend a reliable and fair way of determining an affordable rent level. For example, it would consider whether we need two different living rent levels—one for London and one for elsewhere—as happens with the living wage, or whether, as seems more likely, it should be more localised, and, if so, on what basis. It would require the commission to undertake that work in conjunction with providers, landlords and tenants, and then report to the Government. In essence, it commits to nothing other than trying accurately to define the much bandied term “affordable”, which has effectively been rendered meaningless given that council homes have been sold to housing associations, which are now raising funds by increasing rents on re-lets from social housing at a rate of up to 80% of market rates. That is what counts for affordable at the moment, yet it is nothing of the kind.

I add a word of caution: a living rent is not a magic panacea. The underlying reasons for our local and national housing crises are many and varied, and so too are the solutions. We need wholesale reform to address insecurity, inequalities between owners and private renters, decency standards and the better use of public subsidy, as well as affordability. No one measure will work in isolation—it must be part of a broader programme—but the new clause would introduce a solution that could start to have a significant impact on all these problems, and it has not yet been given much consideration in our debates. It goes further than the so-called smart rent controls that some Members advocate. Such controls would link rent levels to inflation and would certainly be a step in the right direction. Capping rents is a step further and is usually linked to local incomes or could be set at a certain percentage more than social rents.

That could help prevent costs from spiralling further out of control, which would be welcomed by the tenants I see in my surgeries who are struggling with the cost of the private rented sector, but given that rents are already so high, even capping them at those levels would offer tenants only limited protection. For the renters in Brighton, Pavilion who are already forced to set aside 65% of their income for rent, it would mean rents not getting any worse, but it would not mean their getting better or becoming affordable or sustainable. They are the result of a market utterly out of control and in need of genuine reform to bring them in line with wages and the cost of living. They need better to reflect what people can afford to pay in rent while maintaining a decent quality of life.

[Caroline Lucas]

I acknowledge that some see capping and controlling rents as controversial and that there are instances where such policies have had perverse effects, but there are also many instances where they have worked, and a commission would help us learn the lessons from different models to develop one that might work here. Regulators in other countries agree that rent controls can be part of the solution, especially when taken alongside other positive measures. In Sweden, rents in the private sector are not allowed to be more than 105% of rents in equivalent accommodation owned by a municipal housing company. It is a stable private rented sector in which the quality of repairs and maintenance is good and tenants and landlords alike benefit from secure, indefinite tenancies. Indefinite tenancies and rent controls are credited with giving Germany the most stable private rented sector in the world, alongside the US. France, which has rent controls and more secure long-term tenancies than we do, has a growing private rented sector.

Understandably, there will be concerns about the impact on landlords and, in turn, the effect on supply. What happens if landlords cannot afford to take reduced rents, meaning that housing standards plummet or properties are sold out of the rental market? A living rent commission would model all those possibilities and risks and take them into account when making its rent level recommendations. In the meantime, it is worth noting that a recent survey of landlords found that 77% were in employment; that 60% earned more than £2,000 a month from their employment; and that the 79% of landlords who controlled 61% of all privately rented dwelling earned less than a quarter of their income from those rents. In other words, landlords tend to have reliable sources of income other than rent. We also know that many have bought property as an investment or, more commonly, as a pensions supplement.

If Ministers or the Opposition are worried about the finances of those landlords, I humbly suggest they commit to a secure living pension for all that adequately covers the cost of living. The example from countries such as France suggests that to link a particular policy—say rent control—to shrinkage of the private sector is flawed. With the right policy mix, rent controls can be part of a growing private rented sector in which standards are high. As a final word on landlords, I imagine that many of them will be keen to demonstrate their ethics and, just as forward-thinking employers have backed the living wage, many landlords will voluntarily adopt a living rent for their properties.

2.30 pm

To sum up, I appreciate that some colleagues will disagree with the idea that a living rent is a good, let alone the best, mechanism to deliver such benefits, but I say this to them. New clause 39 does not prescribe whether a living rent should be legally enforceable or simply voluntary. What it would do is set up a commission to consult widely, consider the evidence and make a series of recommendations. It will give renters a benchmark against which to compare the rent they are currently charged and start a long overdue debate into how best to balance the needs of landlord and tenant. That is why I hope colleagues will support my new clause, which I hope to press to a vote.

**Tim Farron:** Given the time pressures, I shall limit my remarks to my amendment 109. I have made it clear that right to buy is, quite simply, the wrong spending priority at a time of great housing need when resources should be focused on building new homes. In my view, it is also being used as a means to reduce social and affordable housing at the very time that such homes are most desperately needed, particularly for the 1.6 million people currently rotting on a social housing waiting list who are often struggling to bring up children in temporary and inadequate accommodation.

Paying for the extension of right to buy through selling off high-value council housing is simply absurd and will have a crippling financial effect, taking away resources that are much needed by councils to build homes in their areas. The fact that no definition of “high value” is given in the Bill provides far too much wriggle room, with no guarantee of replacement—with the exception of amendment 112, which relates only to London. It has been discussed at length, so I shall not go into any further detail. I see no good reason, other than a political one, for not extending the deal to all regions and not just to London. London is so often the focus of attention when it comes to housing, but the housing crisis is just as real in many other places, especially in rural parts of Britain, including the west country, Cumbria, Northumberland and North Yorkshire.

The extension of right to buy, furthermore, is not genuinely a voluntary option for housing associations, as the Government have attempted to claim. The only voluntary aspect was the vote taken by members of the National Housing Federation last September, in which 45% of associations either voted against or abstained, masking the fact that many felt that the extension was already a done deal. The choice on the table was essentially between the immediate death of social housing or a slightly more drawn-out affair.

To cast this assault on social housing, and especially the assault on rural communities, as something willed by the housing associations is just bogus. The Bill puts many small and specialist housing associations, particularly those in rural areas such as mine, in an extremely difficult position. Some are worried about the impact it will have on maintaining additional services to residents—jobseeking advice, for example, which is often crucial to getting people back on their feet. I would therefore like to see the right to buy extension taken out of the Bill altogether. If the extension is to go ahead, however, a commitment to replacing the property sold off must be included. That is what would be achieved by my amendment 109.

Let me make it clear that I am not opposed to right to buy in principle. I am a supporter of the aspiration of those who wish to own their own home, and I want us to support housing associations as they seek to build mixed developments to give people the opportunity to get on to the housing ladder.

There are two possible reasons for extending right to buy. The first is to encourage aspiration and the second is to decimate and get rid of social housing. If it is the first that people care about most, legislating to extend right to buy would be focused on ensuring replacement, in which case my amendment 109 should be supported. This would provide people with the opportunity to buy their own home without at the same time depleting affordable housing stock for other families in need.



If the motivation were simply to reduce social housing—those motives are too depressing at this time even to bother discussing—the policy would be exactly what the Government are doing: right to buy would be extended and housing associations would be press-ganged to go along with it, with verbal expressions of intentions to replace homes. That would also mean ensuring zero guarantee in the legislation that any replacement must happen.

Sadly, it is clear that this Government's reasons for press-ganging housing associations to extend right to buy are based on a pretty grubby desire to get rid of social housing. We know what happens when intentions to replace homes are expressed, but not enforced, in legislation. We have had many decades of experience of that. We know that one-to-one replacement simply does not happen. Even in recent years, since the one-to-one replacement policy was introduced in 2012, only one in every nine homes sold has been replaced.

My amendment 109 is designed to overcome that problem and guarantee the replacement of homes by insisting that before a home is sold off under right to buy, a replacement home must first be identified. This could be a home within a new planned development or an existing home that is acquired by the housing association with the proceeds of the sale. Housing associations should be required to identify that replacement property and communicate the plan to the regulator before selling the home.

**Andy Slaughter:** Will the hon. Gentleman give way?

**Tim Farron:** Probably not, because there is not much time left and I do not want to prevent others from speaking.

In addition, the replacement home should in most cases be equivalent to the one sold off. It should be located in the same local authority area and there must be an initial presumption that the replacement home would be the same tenure unless there is a strong case for changing it, based on local need. This would avoid the squeezing out of social homes for rent, which are often occupied by some of the most vulnerable people in our communities, in favour of other potentially more profitable tenures. My amendment would provide not only a one-for-one replacement of homes, but in many cases like for like. I urge Members to support it.

**Brandon Lewis:** I support the amendments tabled in the name of my right hon. Friend the Secretary of State. I want to say from the outset that I am proud to support amendments 112 and 130. I pay tribute to my hon. Friends the Members for Wimbledon (Stephen Hammond) and for Richmond Park (Zac Goldsmith), as well as to colleagues across London not just for inspiring these amendments, but for working so passionately and diligently to ensure that we get a good result for London. That is quite a contrast to Labour, from whose Members I have received no direct approaches about doing anything positive to increase the housing supply in London.

**Andy Slaughter** *rose*—

**Brandon Lewis:** I shall give way in a few moments.

I join others in congratulating my hon. Friend the Member for Richmond Park on the birth of his son.

We shall be looking to ensure that local authorities in London can make an agreement with the Government. These provisions will require two new affordable homes to be provided for every vacant, high-value dwelling that we expect to see sold.

**Wes Streeting** (Ilford North) (Lab): Perhaps the Minister will explain why the joint duty on the Secretary of State, the Mayor of London and local housing authorities in Greater London to provide two units of affordable housing for each council home sold, which was set out in new clause 1 in Committee, failed to make it through to amendment 112, which we are debating today?

**Brandon Lewis:** Well, it did not get through Committee. As we shall come on to later, it is interesting to reflect on how few provisions Labour Members voted against in Committee, yet today they seem to have found a voice that they did not have before.

We all know—it has been spoken about on the Floor of the House today—that housing markets vary across our country, and that has been reflected in the legislation so that, for example, it is possible to define “high-value” areas differently in different areas. Housing need is most acute in London, as we have heard today—hence amendment 112.

**Andy Slaughter** *rose*—

**Brandon Lewis:** I am not giving way at the moment.

I intend to use the flexibility of the agreement process to take account of the difficulties that other local authorities might have in seeking to deliver more housing—again, if they had high-value areas, for example. My hon. Friends have spoken about that this afternoon. The Bill is framed to provide as much flexibility as possible, so that we can consider the circumstances of each local authority and its housing need.

I look forward to working with my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) along with my hon. and learned Friend the Member for North East Hertfordshire (Sir Oliver Heald) and my hon. Friends the Members for Altrincham and Sale West (Mr Brady), for Bath (Ben Howlett), for Hertford and Stortford (Mr Prisk), for Aldershot (Sir Gerald Howarth), for St Albans (Mrs Main), for Central Suffolk and North Ipswich (Dr Poulter), for Tonbridge and Malling (Tom Tugendhat), for Bracknell (Dr Lee), for Woking (Jonathan Lord) and for Braintree (James Cleverly), as well as with hon. Friends from other areas to make sure that we get these regulations in the right place so that local authorities can deliver the housing that they need.

**Heidi Allen** (South Cambridgeshire) (Con): I would like the Minister to add South Cambridgeshire to the list.

**Brandon Lewis:** I am happy to work with South Cambridgeshire. In fact, we are working well with it; it provides a good example of central Government and local government working together, as we have seen with 10,000 homes being delivered for Northstowe. I encourage local authorities to join others from across

[*Brandon Lewis*]

London that have already spoken to us. My hon. Friend the Member for Richmond Park rightly asked about progress, and the London Land Commission will be building on the work opened up by the Government's delivery of public sector land. We have allocated sufficient land for 160,000 homes, although the London Land Commission must go further to see what more can be done in London.

This is a real opportunity for a step change in housing supply for London. I am not talking just about the two-for-one scheme that has been discussed this afternoon, important though that is, but about a huge opportunity for Londoners and those in other places around the country that has also been outlined this afternoon: the added flexibility for councils to work together on innovative new ideas to deliver more homes across our country, and, unlike Labour, to drive up supply.

**Barry Gardiner** (Brent North) (Lab): Will the Minister explain how building houses in areas other than the part of Brent North where 500 houses will be lost will help my constituents who cannot afford to get on to the housing ladder at all?

**Brandon Lewis:** I suggest that the hon. Gentleman google #ownyourhouse, where he will find a range of Government schemes to deliver more homes, including new homes, for people throughout the country.

We heard from the hon. Member for City of Durham (Dr Blackman-Woods) about her opposition to councils' using vacant high-value building to build more homes and help more people into home ownership. Labour Members have also stated their opposition to ensuring that social tenants on high incomes pay a fair rent. I am not going to rehash the arguments that we had on Second Reading and Report—

**Andy Slaughter:** Will the Minister give way?

**Brandon Lewis:** No, not at this stage.

Opposition Members had their chance to vote against these clauses in Committee—that is what clause-by-clause stand part debates are for—but they stayed quiet. I will not stay quiet this afternoon. I want to make it very clear that we are introducing these clauses because we have an elected mandate to do so. We will deliver new homes for those who need them, and that will include the opportunity to gain access to home ownership. There is no time to lose.

**Clive Efford** (Eltham) (Lab): Will the Minister give way?

**Brandon Lewis:** Not at this stage.

Government amendments 9 and 11 will enable this part of the Bill to come into force on Royal Assent so that funding becomes available as soon as possible. We discussed amendment 51 in Committee as well. I want to ensure that we have full flexibility to use receipts to deliver new homes. Amendments 92 and 93 would result in a reduction in flexibility, and we therefore cannot support them. As I said in Committee, amendments such as amendments 89 and 109 represent the worst examples of the command-and-control, centralist approach

that Labour seems to like. We see the same mindset in amendments 94 and 53, which attempt to limit the definitions of high value and high income, once more attempting to introduce exclusions into the Bill. As I have said time and again, we will let further engagement inform detailed policy.

Labour Members also want the Government to tell home owners that they must sell their properties at less than the market value, and to prevent them from letting their homes for a period of 10 years. I think that that is unfair and inappropriate. People should have the right to do with their own homes what any other home owner would do. The Government want a voluntary agreement with housing associations rather than the imposition of unnecessary requirements in legislation, which is what would result from amendment 91

Let me now clarify the position relating to the payment of grant under clause 61. I know that the National Housing Federation is interested in this. I am happy to confirm that, under clause 61, grant will be paid to housing associations as compensation for the right-to-buy discount. The terms of the grant-making power in the clause will enable it to be considered a revenue grant, so it will be sufficient to classify the grant as income. Of course, if the hon. Member for Westmorland and Lonsdale (Tim Farron) had his way, there would be no clause 61 or clause 62.

**Andy Slaughter:** Will the Minister give way?

**Catherine McKinnell:** Will the Minister give way?

**Brandon Lewis:** I will not give way at this stage, because we are short of time and I want to respond to the points that have been raised by those who have spoken.

The hon. Member for Westmorland and Lonsdale spoke about amendments 107 and 108. I trust that the housing association tenants in his constituency who want to buy their own homes will note his comments, and will remember them when they are home owners at the next general election.

**Tim Farron:** Is the Minister aware that in the 1980s the late Willie Whitelaw expressed concern to the then Prime Minister, Margaret Thatcher, about the impact of the right to buy, unmitigated, in rural communities such as the Lake district? Thirty years on, will he at least take note of what was said by the great man?

**Brandon Lewis:** I appreciate that one of the problems of the right to buy is that for 13 years, for every 170 homes that were sold the Labour Administration built only one, which is disgraceful. That is why, under our reintegrated scheme, there is one-for-one replacement. I think it right to move to two-for-one in London, given the higher-value asset sales there. The Labour party neglected to replace supply for 13 years, but Labour Members still think that the public will believe their rhetoric.

Let me return to chapter 4, part 4. Government new clause 59 and amendments 119, 120 and 128 will ensure that tenants who do not provide information on income cannot then have their rent raised any higher than the maximum chargeable under the policy as a whole. Government new clauses 60 and 61 and amendment 111,

113 to 118, 121 to 127 and 129 are part of our wider deregulatory package for housing associations. Amendment 111 removes clause 64, which is no longer needed.

2.45 pm

**Clive Efford:** Will the Minister give way?

**Brandon Lewis:** No, not at this point.

We heard the thoughts of the hon. Member for City of Durham on amendments 57 to 60. Again at the risk of repeating myself, I want to make something clear. I have already made it crystal clear, in Committee and elsewhere, that we propose to introduce a taper so that there will always be an incentive to find and keep work. I accept that, as Opposition Front Benchers were not present for the whole Committee stage, they may have missed that at the time.

I want to ensure that our policy is simple to implement, as well as flexible. The option to create a central body to enable data to be transferred to landlords—which amendment 63 would remove—has been provided for the sake of simplicity. For example, the role could be carried out by one local authority on behalf of others.

I listened carefully to what was said by the hon. Member for Brighton, Pavilion (Caroline Lucas) about new clause 39. As she knows from her engagement with the Welfare Reform and Work Bill, the Government have already decided to reduce social rents by 1% a year, so I do not believe that the body that she has proposed is necessary.

Let me now deal with Members' opposition to chapter 5. The approach adopted by the hon. Member for City of Durham would mean that families continued to be trapped in overcrowded council homes, while older tenants whose children had left home continued to occupy homes that might no longer be appropriate for their needs, with no opportunity to move.

**Clive Efford:** Will the Minister give way?

**Brandon Lewis:** No, I will not give way at this stage. I must try to deal with all the points that other Members have made.

Moreover, the hon. Lady's approach would mean that some lifetime tenancies would be passed on to family members who were perfectly able to meet their own housing needs.

I can make it clear to the Chairman of the Select Committee, the hon. Member for Sheffield South East (Mr Betts), that when someone with a secure tenancy is asked to move, the tenancy will be transferred with that person. We will give local authorities the freedom and flexibility to apply that to voluntary moves as well.

**Mr Betts:** Will the Minister confirm that if someone with a secure tenancy applies for a transfer, and a new tenancy is therefore created in a new property, the security of tenure will pass to the new property and the new tenancy?

**Brandon Lewis:** In the interests of speed, I suggest that the hon. Gentleman look at the report of what I have just said, but yes, we will ensure that secure tenancies

continue when tenants are asked to move, and councils will be able to consider applying them to voluntary moves as well.

I do not believe that the hon. Lady's proposal represents a good use of social housing, and I trust that the House will agree. The Government amendments will result in a Bill that will bring fairness and efficiency to the housing market, and will further the dreams of aspirational home owners. I commend them to the House.

**Dr Blackman-Woods:** As I said, we would have liked to remove the chapters on the forced sale of council housing and the mandatory rent rises, but we cannot do so because of time. I therefore wish to withdraw amendment 131, to which we shall no doubt return in the Lords. I will, however, press amendment 142, which seeks to protect security of tenure for council tenants, and in due course my right hon. Friend the Member for Tooting (Sadiq Khan) will press amendment 89.

I beg to ask leave to withdraw the amendment.

*Amendment, by leave, withdrawn.*

## Clause 72

### REDUCTION OF PAYMENT BY AGREEMENT

*Amendment made:* 112, page 31, line 19, at end insert—

(4) Where the agreement is with a local housing authority in Greater London, it must require the authority to ensure that at least two new affordable homes are provided for each old dwelling.

(5) But if the Greater London Authority has agreed to ensure that a number of the new affordable homes are provided, that number is to be deducted from the number for which the local housing authority must be made responsible under subsection (4).

(6) The Secretary of State may by regulations create other exceptions to subsection (4) in relation to one or more local housing authorities.

(7) In this section—

“new affordable home” means a new dwelling in England that—

(a) is to be made available for people whose needs are not adequately served by the commercial housing market, or

(b) is a starter home as defined by section 2;

“new dwelling” means a building or part of a building that—

(a) has been constructed for use as a single dwelling and has not previously been occupied, or

(b) has been adapted for use as a single dwelling and has not been occupied since its adaptation;

“old dwelling” means a single dwelling taken into account under section 67(2) for the purposes of the determination.

(8) If a determination under this Chapter relates to more than one financial year—

(a) an agreement under this section may be made in relation to the determination so far as it relates to a particular financial year, and

(b) if such an agreement is made with a local housing authority in Greater London, the reference in subsection (7) to the determination is to the determination so far as it relates to the financial year to which the agreement relates.

(9) The Secretary of State may by regulations amend this section so as to change the meaning of “new affordable home”.  
—(*Brandon Lewis.*)

Where a local housing authority is required to make a payment to the Secretary of State in respect of its vacant high value housing, Clause 72 allows an agreement to be made to reduce the amount. This amendment is about the terms and conditions that must be included in an agreement.

### Clause 153

#### REGULATIONS: GENERAL

*Amendment made:* 130, page 76, line 21, at end insert—

“( ) regulations under section 72(9);” — (*Brandon Lewis.*)

*This amendment is consequential on amendment 112 and ensures that regulations amending the definition of affordable home are subject to the affirmative procedure.*

### Clause 155

#### COMMENCEMENT

*Amendments made:* 9, page 77, line 11, at end insert—

“( ) Chapter 2 of Part 4;”

*This amendment provides for Chapter 2 of Part 4 (vacant high value social housing) to come into force on Royal Assent.*

*Amendment 11, page 77, line 17, leave out paragraph (a). — (Brandon Lewis.)*

*This is consequential on amendment 9.*

### New Clause 59

#### REVERTING TO ORIGINAL RENT LEVELS

“(1) Rent regulations may include provision for the purpose of ensuring that where a requirement imposed under section 79(1) ceases to apply, the rent is changed to what it would have been if the requirement had never applied.

(2) Rent regulations may include provision for the purpose of ensuring that where—

(a) a local housing authority is required by section 81(2) to charge the maximum rent because of a tenant's failure to provide information or evidence, and

(b) the tenant subsequently provides the necessary information or evidence,

the rent is changed to what it would have been if section 81 (2) had never applied.” — (*Brandon Lewis.*)

*This relates to Chapter 4 of Part 4. It is primarily intended to ensure that where a person ceases to be a high income tenant, his or her rent returns to normal levels for social tenants. It also deals with circumstances where a person has failed to provide information or evidence but subsequently does so.*

*Brought up, read the First and Second time, and added to the Bill.*

### New Clause 60

#### PRIVATE PROVIDERS: POLICIES FOR HIGH INCOME SOCIAL TENANTS

“(1) A private registered provider of social housing that has a policy about levels of rent for high income social tenants in England must publish that policy.

(2) The policy must include provision for requesting reviews of, or appealing, decisions under the policy.” — (*Brandon Lewis.*)

*See Member's explanatory statement for amendment 113. Where a private registered provider decides to adopt a policy of charging higher levels of rent to high income social tenants this new clause requires the policy to be published and to contain provision about the procedure and disputes.*

*Brought up, read the First and Second time, and added to the Bill.*

### New Clause 61

#### HMRC INFORMATION FOR PRIVATE REGISTERED PROVIDERS

“(1) HMRC may disclose information for the purpose of enabling a private registered provider of social housing to apply any relevant policy about levels of rent for high income social tenants in England.

(2) The information may only be disclosed to—

(a) the private registered provider of social housing,

(b) the Secretary of State for the purposes of passing the information to registered providers,

(c) a public body that has been given the function of passing information between HMRC and registered providers by regulations under subsection (3), or

(d) a body with which the Secretary of State has made arrangements for the passing of information between HMRC and registered providers.

(3) The Secretary of State may by regulations—

(a) give a public body the function mentioned in subsection (2)(c), and

(b) make provision about the carrying out of that function.

(4) The Secretary of State must obtain HMRC's consent before making—

(a) arrangements under subsection (2)(d), or

(b) regulations under subsection (3).

(5) Information disclosed under this section to the Secretary of State or to a body mentioned in subsection (2)(c) or (d) may be passed on to a registered provider for which it is intended.

(6) Information disclosed under this section may not otherwise be further disclosed without authorisation from HMRC.

(7) Where a person contravenes subsection (6) by disclosing any revenue and customs information relating to a person whose identity—

(a) is specified in the disclosure, or

(b) can be deduced from it,

section 19 of the Commissioners for Revenue and Customs Act 2005 (wrongful disclosure) applies in relation to that disclosure as it applies in relation to a disclosure of such information in contravention of section 20(9) of that Act.

(8) In this section—

“HMRC” means the Commissioners for Her Majesty's Revenue and Customs;

“relevant”, in relation to a private registered provider's policy about levels of rent for high income social tenants in England, means a policy that—

(a) has been published as required by section (Private providers: policies for high income social tenants), and

(b) complies with any requirements imposed under subsection (2) of that section;

“revenue and customs information relating to a person” has the meaning given by section 19(2) of the Commissioners for Revenue and Customs Act 2005;

“tenant” includes prospective tenant.” — (*Brandon Lewis.*)

*See Member's explanatory statement for amendment 113.*

*Brought up, read the First and Second time, and added to the Bill.*

### Clause 79

#### MANDATORY RENTS FOR HIGH INCOME SOCIAL TENANTS

*Amendments made:* 113, page 33, line 14, leave out “a registered provider of social housing” and insert “an English local housing authority”

*This is the first of a number of amendments that restrict Chapter 4 of Part 4 of the Bill (high income social tenants: mandatory rents) to local authorities. Private registered providers will not be required*

to charge high income social tenants specific rents but NC60 and NC61 are intended to facilitate them doing so on a voluntary basis.

Amendment 114, page 33, line 23, leave out “registered provider of social housing” and insert “local housing authority”.—(*Brandon Lewis.*)

See Member’s explanatory statement for amendment 113.

### Clause 80

#### MEANING OF “HIGH INCOME” ETC

Amendment made: 115, page 34, line 3, leave out “registered provider of social housing” and insert “local housing authority”.—(*Brandon Lewis.*)

See Member’s explanatory statement for amendment 113.

### Clause 81

#### INFORMATION ABOUT INCOME

Amendments made: 116, page 34, line 7, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 117, page 34, line 9, leave out “registered provider” and insert “local housing authority”

See Member’s explanatory statement for amendment 113.

Amendment 118, page 34, line 11, leave out “registered provider of social housing” and insert “English local housing authority”

See Member’s explanatory statement for amendment 113.

Amendment 119, page 34, line 12, leave out “rent at the market rate” and insert “the maximum rent”

Clause 81(2) enables regulations requiring rent to be charged at the market rate to a tenant who has failed to comply with a requirement to provide information about income etc. This amendment and amendment 120 change this so that the tenant must be charged the maximum rate that they would have to pay as a high income tenant (which might still be less than the full market rate).

Amendment 120, page 34, line 18, at end insert—

“( ) In subsection (2) “the maximum rent” means the rent that a local housing authority is required to charge a high income tenant of the premises under section 79 (or, if regulations under section 79(3)(a) provide for different rents for people with different incomes, the rent that a person in the highest income bracket would be required to pay).”—(*Brandon Lewis.*)

See Member’s explanatory statement for amendment 119.

### Clause 82

#### HMRC INFORMATION

Amendments made: 121, page 34, line 20, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 122, page 34, line 24, leave out “registered provider of social housing” and insert “local housing authority”

See Member’s explanatory statement for amendment 113.

Amendment 123, page 34, line 26, leave out “registered providers” and insert “local housing authorities”

See Member’s explanatory statement for amendment 113.

Amendment 124, page 34, line 28, leave out “registered providers” and insert “local housing authorities”

See Member’s explanatory statement for amendment 113.

Amendment 125, page 34, line 31, leave out “registered providers” and insert “local housing authorities”

See Member’s explanatory statement for amendment 113.

Amendment 126, page 34, line 39, leave out “registered provider” and insert “local housing authority”.—(*Brandon Lewis.*)

See Member’s explanatory statement for amendment 113.

### Clause 83

#### POWER TO INCREASE RENTS AND PROCEDURE FOR CHANGING RENTS

Amendments made: 127, page 35, line 16, leave out “registered provider of social housing” and insert “local housing authority”

See Member’s explanatory statement for amendment 113.

Amendment 128, page 35, line 17, leave out “increase” and insert “change”.—(*Brandon Lewis.*)

This amendment is consequential on NC59.

### Clause 86

#### ENFORCEMENT BY REGULATOR OF SOCIAL HOUSING

Amendment made: 129, page 36, line 4, leave out clause 86.—(*Brandon Lewis.*)

The enforcement powers in Chapter 4 of Part 4 were primarily aimed at private registered providers. In light of amendment 113 they are no longer needed.

Two hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (*Programme order, 5 January*).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (*Standing Order No. 83E*).

### Clause 89

#### SECURE TENANCIES ETC: PHASING OUT OF TENANCIES FOR LIFE

Amendment proposed: 142, line 20, leave out clause 89. —(*Dr Blackman-Woods.*)

This amendment, together with amendment 143, would enable councils to be free to manage flexibly tenancies in a way that drives best value from stock whilst supporting strong local communities.

Question put, That the amendment be made.

The House divided: Ayes 207, Noes 296.

### Division No. 160]

[2.49 pm

#### AYES

Abbott, Ms Diane	Bryant, Chris
Abrahams, Debbie	Buck, Ms Karen
Alexander, Heidi	Burgon, Richard
Anderson, Mr David	Burnham, rh Andy
Ashworth, Jonathan	Butler, Dawn
Austin, Ian	Byrne, rh Liam
Bailey, Mr Adrian	Cadbury, Ruth
Barron, rh Kevin	Campbell, rh Mr Alan
Beckett, rh Margaret	Campbell, Mr Ronnie
Benn, rh Hilary	Champion, Sarah
Berger, Luciana	Chapman, Jenny
Betts, Mr Clive	Clegg, rh Mr Nick
Blackman-Woods, Dr Roberta	Coaker, Vernon
Blomfield, Paul	Coffey, Ann
Bradshaw, rh Mr Ben	Cooper, rh Yvette
Brake, rh Tom	Cox, Jo
Brown, Lyn	Coyle, Neil

Crausby, Mr David  
 Creagh, Mary  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 David, Wayne  
 Davies, Geraint  
 De Piero, Gloria  
 Doughty, Stephen  
 Dowd, Jim  
 Dowd, Peter  
 Dromey, Jack  
 Dugher, Michael  
 Durkan, Mark  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Mrs Louise  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Farron, Tim  
 Fitzpatrick, Jim  
 Ffello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary  
 Goodman, Helen  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harpham, Harry  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hermon, Lady  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 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  
 Kaufman, rh Sir Gerald  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, rh Sadiq

Kinnock, Stephen  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 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  
 Mann, John  
 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  
 McMahan, Jim  
 Miliband, rh Edward  
 Moon, Mrs Madeleine  
 Morden, Jessica  
 Mulholland, Greg  
 Murray, Ian  
 Nandy, Lisa  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat

Smith, Jeff  
 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  
 Trickett, Jon  
 Turley, Anna

Twigg, Derek  
 Twigg, Stephen  
 Umunna, Mr Chuka  
 Vaz, rh Keith  
 Vaz, Valerie  
 West, Catherine  
 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**  
**Grahame M. Morris**

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Benyon, Richard  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Bradley, Karen  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brine, Steve  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, Alun  
 Carmichael, Neil  
 Carswell, Mr Douglas  
 Cartledge, 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, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Donelan, Michelle  
 Dorries, Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh Mr David  
 Fabricant, Michael  
 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  
 Gauke, Mr David  
 Gibb, Mr Nick  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goldsmith, Zac  
 Goodwill, Mr Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Grayling, rh Chris  
 Green, Chris

Green, rh Damian  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gummer, Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, Stephen  
 Hancock, rh Matthew  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harris, Rebecca  
 Hart, Simon  
 Haselhurst, rh Sir Alan  
 Hayes, rh Mr John  
 Heald, Sir Oliver  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 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, 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  
 Leslie, Charlotte  
 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  
 McCartney, Karl  
 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  
 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  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Phillips, Stephen  
 Philp, Chris  
 Pincher, Christopher  
 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  
 Rutley, David  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Mrs Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob

Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Mr Desmond  
 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  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Tyrie, rh Mr Andrew  
 Vaizey, Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin

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

**Tellers for the Noes:**  
 Sarah Newton and  
 Simon Kirby

*Question accordingly negated.*

#### Clause 61

#### GRANTS BY SECRETARY OF STATE

*Amendment proposed:* 89, page 27, line 25, at end insert—

“(2A) The conditions at subsection (2) must include a condition that money equivalent to the market value (disregarding any discount) of a dwelling sold under right to buy and to which the grant applies is spent by the private registered provider on the provision of affordable housing in the same local authority area or London, including at least one new home replacing that sold which is—

- (a) of the same tenure,
  - (b) located in the same local authority area or London borough, and
  - (c) in accordance with assessed local housing need.”
- (*Sadiq Khan.*)

*The amendment would require housing associations offering the Right to Buy to their tenants in London and elsewhere to re-invest all the money received as a result of the sale in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough.*

*Question put, That the amendment be made.*

*The House divided: Ayes 212, Noes 297.*

#### Division No. 161]

[3.5 pm

#### AYES

Abbott, Ms Diane	Blomfield, Paul
Abrahams, Debbie	Bradshaw, rh Mr Ben
Alexander, Heidi	Brake, rh Tom
Anderson, Mr David	Brown, Lyn
Ashworth, Jonathan	Bryant, Chris
Austin, Ian	Buck, Ms Karen
Bailey, Mr Adrian	Burgon, Richard
Barron, rh Kevin	Burnham, rh Andy
Beckett, rh Margaret	Butler, Dawn
Benn, rh Hilary	Byrne, rh Liam
Berger, Luciana	Cadbury, Ruth
Betts, Mr Clive	Campbell, rh Mr Alan
Blackman-Woods, Dr Roberta	Campbell, Mr Ronnie

Champion, Sarah  
 Chapman, Jenny  
 Clegg, rh Mr Nick  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, rh Yvette  
 Cox, Jo  
 Coyle, Neil  
 Crausby, Mr David  
 Creagh, Mary  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 David, Wayne  
 Davies, Geraint  
 De Piero, Gloria  
 Doughty, Stephen  
 Dowd, Jim  
 Dowd, Peter  
 Dromey, Jack  
 Dugher, Michael  
 Durkan, Mark  
 Edwards, Jonathan  
 Efford, Clive  
 Elliott, Julie  
 Ellman, Mrs Louise  
 Esterson, Bill  
 Evans, Chris  
 Farrelly, Paul  
 Farron, Tim  
 Fitzpatrick, Jim  
 Ffello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary  
 Goodman, Helen  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harpham, Harry  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 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  
 Kaufman, rh Sir Gerald  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, rh Sadiq  
 Kinnock, Stephen  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 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  
 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  
 McMahan, Jim  
 Miliband, rh Edward  
 Moon, Mrs Madeleine  
 Morden, Jessica  
 Mulholland, Greg  
 Murray, Ian  
 Nandy, Lisa  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Sharma, Mr Virendra

Sheerman, Mr Barry  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 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, Derek  
 Twigg, Stephen  
 Umunna, Mr Chuka  
 Vaz, rh Keith  
 Vaz, Valerie  
 West, Catherine  
 Whitehead, Dr Alan  
 Williams, Mr Mark  
 Wilson, Phil  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Woodcock, John  
 Wright, Mr Iain  
 Zeichner, Daniel

**Tellers for the Ayes:**  
 Sue Hayman and  
 Grahame M. Morris

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Benyon, Richard  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Bradley, Karen  
 Brady, Mr Graham  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brine, Steve  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, Alun  
 Carmichael, Neil  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishtii, 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, Dr James  
 Davies, Mims  
 Davies, Philip  
 Davis, rh Mr David  
 Dinanage, Caroline  
 Djanogly, Mr Jonathan  
 Donelan, Michelle  
 Dorries, Nadine  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh Mr David  
 Fabricant, Michael  
 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  
 Gauke, Mr David  
 Gibb, Mr Nick  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goldsmith, Zac  
 Goodwill, Mr Robert  
 Gove, rh Michael  
 Graham, Richard  
 Grant, Mrs Helen  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Grieve, rh Mr Dominic  
 Griffiths, Andrew  
 Gummer, Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 Hammond, Stephen  
 Hancock, rh Matthew  
 Hands, rh Greg  
 Harper, rh Mr Mark  
 Harris, Rebecca  
 Hart, Simon  
 Haselhurst, rh Sir Alan  
 Hayes, rh Mr John  
 Heald, Sir Oliver  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 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, 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  
 Leslie, Charlotte  
 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  
 McCartney, Karl  
 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  
 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  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Phillips, Stephen  
 Philp, Chris  
 Pincher, Christopher  
 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  
 Rutley, David  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok

Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Mrs Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Mr Desmond  
 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  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Tyrie, rh Mr Andrew  
 Vaizey, Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watkinson, Dame Angela  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, William  
 Zahawi, Nadhim

#### Tellers for the Noes:

Simon Kirby and  
 Sarah Newton

*Question accordingly negated.*

### Clause 64

#### DISPOSAL CONTENTS

*Amendment made:* 111, page 28, line 16, leave out Clause 64. — (*Brandon Lewis.*)

*Clause 64 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 agreement. This clause is no longer needed because NS1 removes the general requirements for private registered providers to obtain consent before disposing of property. This explanation was previously mistakenly given for amendment 4, which leaves out clause 78.*

3.15 pm

**Mr Betts:** On a point of order, Madam Deputy Speaker. I had an exchange with the Minister at the end of the previous debate about a secure tenant making an application to move to a new property. His response may have inadvertently misled the House or at least confused the House—it certainly confused me—about whether a tenant has that right. Proposed new section 81B(2)(B) seems to suggest that where tenants—

**Madam Deputy Speaker (Natascha Engel):** Order. The hon. Gentleman is aware that that is almost certainly more a point of annoyance than a point of order. The Minister has heard what he has said and he has put his point on the record, but it is not a point of order and we are really pressed for time. I am therefore going to call the Minister on the next group, who may or may not wish to respond on this matter.

### New Clause 62

#### OFFENCE OF CONTRAVENING AN OVERCROWDING NOTICE: LEVEL OF FINE

‘(1) Section 139 of the Housing Act 2004 (overcrowding notices) is amended as follows.

(2) In subsection (7), omit “and is liable on summary conviction to a fine not exceeding level 4 on the standard scale”.

(3) After subsection (7) insert—

“(7A) A person who commits an offence under subsection (7) in relation to premises in England is liable on summary conviction to a fine.

(7B) A person who commits an offence under subsection (7) in relation to premises in Wales is liable on summary conviction to a fine not exceeding level 4 on the standard scale.”—(*Mr Marcus Jones.*)

*The maximum fine for contravening an overcrowding notice under section 139 of the Housing Act 2004 is currently a level 4 fine. This new clause would remove the restriction on the level of fine that may be imposed where a conviction relates to premises in England. Where a conviction relates to premises in Wales the maximum fine is unchanged.*

*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.

**Madam Deputy Speaker:** With this it will be convenient to discuss the following:

New clause 3—*Conversion of leasehold to commonhold for interdependent properties*—

‘(1) On 1 January 2020 long leases of residential property in interdependent properties shall cease to be land tenure capable of conveyance.

(2) On 1 January 2020 long leases as set out in subsection (1) shall become commonholds to which Part 1 of the Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”) shall apply, subject to the modifications set out in this section.

(3) Leaseholders, freeholders and those with an interest in an interdependent property are required to facilitate the transfer to commonhold, in particular they shall—

- (a) by 1 January 2018 draw-up an agreed plan for the transfer;
- (b) by 1 October 2018 value any interests to be extinguished by the transfer where the interest is held by a person who after transfer will not be a unit-holder; and
- (c) by 1 January 2019 draw up a commonhold community statement for the purposes of—
  - (i) defining the extent of each commonhold unit;
  - (ii) defining the extent of the common parts and their respective uses;
  - (iii) defining the percentage contributions that each unit will contribute to the running costs of the building;
  - (iv) defining the voting rights of the members of the commonhold association; and
  - (v) specifying the rights and duties of the commonhold association, the unit-holders and their tenants.

(4) In any case where the parties at subsection (3) cannot or refuse to agree arrangements to facilitate the transfer any of the parties can make an application to the First-tier Tribunal (Property Chamber) for a determination of the matter.

(5) Section 3 [Consent] of the 2002 Act shall cease to have effect on 1 January 2017.

(6) In subsection (1) “long lease” means—

- (a) a lease granted for a term certain exceeding 21 years, whether or not it is (or may become) terminable before the end of that term by notice given by the tenant or by re-entry or forfeiture; or

- (b) a lease for a term fixed by law under a grant with a covenant or obligation for perpetual renewal, other than a lease by sub-demise from one which is not a long lease.”

*This new Clause would end the tenure of residential leasehold by 1 January 2020 by converting residential leases into commonhold.*

New clause 4—*Tenants’ rights to new management in property sold under LSVT*—

‘(1) This section applies to housing which—

- (a) was previously owned by a local authority;
- (b) was part of a large-scale voluntary transfer falling within the definition of section 32(4AB) of the Housing Act 1985; and
- (c) the disposal of which was subject to the consent of the Secretary of State under section 32 of the 1985 Act.

(2) Where the transfer took place more than five years before this section comes into operation the current owner of the transferred housing shall consult the current tenants on their satisfaction with the management of that property.

(3) Where the transfer took place less than five years after this section comes into operation the current owner of the transferred housing shall not more than every five years consult the current tenants on their satisfaction with the management of that property.

(4) If more than 50 per cent of tenants responding to the consultation under subsections (2) or (3) are dissatisfied with the management of the property, the owner of the housing must carry out a competitive tender for the management of the property and report the outcome to the tenants.”

New clause 42—*Mobile Homes Act 1983: limit of commission*—

‘(1) For sub-paragraph (5) of paragraph 7A of Schedule 1 to the Mobile Homes Act 1983, as inserted by section 10 of the Mobile Homes Act 2013, substitute—

“(5) The new occupier is required to pay the owner a commission on the sale of the mobile home at a rate not exceeding five per cent of the purchase price of the mobile home as may be prescribed by regulations made by the Secretary of State.”

(2) For sub-paragraph (8) of paragraph 7B of Schedule 1 to the Mobile Homes Act 1983, as inserted by section 10 of the Mobile Homes Act 2013, substitute—

“(8) The person to whom the mobile home is sold (“the new occupier”) is required to pay the owner a commission on the sale of the mobile home at a rate not exceeding five per cent of the purchase price of the mobile home as may be prescribed by regulations made by the Secretary of State.””

*This new clause would limit the amount of commission that a site owner could receive when a park home is sold to no more than 5% of the purchase price.*

New clause 52—*Implied term of fitness for human habitation in residential lettings*—

‘(1) Section 8 of the Landlord and Tenant Act 1985 (c.70) is amended as follows.

(2) Leave out subsection (3) and insert—

“(3) Subject to subsection (7), this section applies to any tenancy or licence under which a dwelling house is let wholly or mainly for human habitation.”

(3) Leave out subsections (4) to (6).

(4) After subsection (3), insert—

“(3ZA) Subsection 1 does not apply where the condition of the dwelling-house or common parts is due to—

- (a) a breach by the tenant of the duty to use the dwelling-house in a tenant-like manner, or often express term of the tenancy to the same effect; or
- (b) damage by fire, flood, tempest or other natural cause or inevitable accident.

(3ZB) Subsection 1 shall not require the landlord or licensor of the dwelling house to carry out works—

- (a) which would contravene any statutory obligation or restriction; or
- (b) which require the consent of a superior landlord, provided that such consent has been refused and the landlord or licensor has no right of action on the basis that such refusal of consent is unreasonable.

(3ZC) Any provision of or relating to a tenancy or licence is void insofar as it purports—

- (a) to exclude or limit the obligations of the landlord or licensor under this section; or
- (b) to permit any forfeiture or impose on the tenant or licensee any penalty or disadvantage in the event of his seeking to enforce the obligation under subsection (1).

(3ZD) Regulations may make provision for the exclusion of certain classes of letting from subsection (1).

(3ZE) In this section “house” has the same meaning as “dwelling house” and includes—

- (a) a part of a house, and
- (b) any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.”

(5) In section 10 of the Landlord and Tenant Act 1985, after “waste water”, insert—

(6) Regulations may make provision for guidance as to the operation of the matters set out in section 10 which are relevant to the assessment of fitness for human habitation.

(7) This section shall come into force—

- (a) in England at the end of the period of three months from the date on which this Act receives Royal Assent and shall apply to all tenancies licences and agreements for letting made on or after that date; and
- (b) in Wales on a date to be appointed by the Welsh Ministers.””

*This new Clause would place a duty on landlords to ensure that their properties are fit for habitation when let and remain fit during the course of the tenancy.*

**New clause 53—Requirement to carry out electrical safety checks—**

“(1) A landlord of a rental property shall ensure that there is maintained in a safe condition—

- (a) any electrical installation; and
- (b) any electrical appliances supplied by the landlord so as to prevent the risk of injury to any person in lawful occupation or relevant premises.

(2) Without prejudice to the generality of subsection (1), a landlord shall—

- (a) ensure that the electrical installation and any electrical appliances supplied by the landlord are checked for safety within 12 months of initial leasing and thereafter at intervals of not more than 5 years since they were last checked for safety (whether such check was made pursuant to this Act or not);
- (b) in the case of a lease commencing after the coming into force of this Act, ensure that the electrical installation and each electrical appliance to which the duty extends has been checked for safety within a period of 12 months before the lease commences or has been or is so checked within 12 months after the electrical installation or electrical appliance has been installed, whichever is later; and
- (c) ensure that a record in respect of any electrical installation or electrical appliance so checked is made and retained for a period of 6 years from the date of that check and which shall include the following information—
  - (i) the date on which the electrical installation or electrical appliance was checked;
  - (ii) the address of the premises at which the electrical installation or electrical appliance is installed;

(iii) the name and address of the landlord of the premises (or, where appropriate, his agent) at which the electrical installation or electrical appliance is installed;

(iv) a description of and the location of the electrical installation or electrical appliance checked;

(v) any defect identified;

(vi) any remedial action taken;

(vii) the name and signature of the individual carrying out the check; and

(viii) the registration number with which that individual’s firm is registered with a Part P competent persons scheme approved by the Department for Communities and Local Government and certified as being competent in periodic inspection and testing.

(3) Every landlord shall ensure that any work in relation to a relevant electrical installation or electrical appliance carried out pursuant to subsection (1) or (2) above is carried out by a firm registered with a Part P competent persons scheme approved for the time being by the Department for Communities and Local Government.

(4) The record referred to in (2)(c), or a copy thereof, shall be made available upon request and upon reasonable notice for the inspection of any person in lawful occupation of relevant premises who may be affected by the use or operation of any electrical installation or electrical appliance to which the record relates.

(5) Notwithstanding subsection (4), every landlord shall ensure that—

(a) a copy of the record made pursuant to the requirements of (3)(c) is given to each existing tenant of premises to which the record relates within 28 days of the date of the check; and

(b) a copy of the last record made in respect of each electrical installation or electrical appliance is given to any new tenant of premises to which the record relates before that tenant occupies those premises save that, in respect of a tenant whose right to occupy those premises is for a period not exceeding 28 days, a copy of the record may instead be prominently displayed within those premises.

(6) A landlord who fails to comply with this section commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.”

*The new clause would introduce a requirement for landlords to undertake electrical safety checks.*

**New clause 54—Description of HMOs—**

“(1) The Licensing of Houses in Multiple Occupation (Prescribed Descriptions) England Order 2006 is amended as follows.

(2) Clause 3, subsection (2), leave out paragraph (a).

(3) Clause 3, leave out subsection (3).”

*The new clause would remove the three storeys condition from the conditions HMOs must satisfy in order to be of a description prescribed by article 3(1) of the Housing Act 2004.*

**Amendment 154**, in clause 91, page 38, leave out lines 6 and 7.

*This amendment would retain sections 225 and 226 of the Housing Act 2004 regarding accommodation needs of gypsies and travellers.*

**Amendment 99**, in clause 92, page 38, line 24, at end insert—

“(c) has a current entry on the Database of Rogue Landlords and Letting Agents as set out in Part 2 of the Housing and Planning Act 2015”.

*The amendment would deny those with an entry on the Database of Rogue Landlords and Letting Agents from being granted a licence for a HMO.*

**Amendment 67**, in clause 93, page 39, line 25, leave out “as an alternative” and insert “in addition”.

*The amendment would allow for a financial penalty as an addition rather than as an alternative to prosecution.*

Government amendments 27 to 30.

New clause 47—*Duty of Care*—

‘(1) The Secretary of State shall by 31 December 2016 introduce via regulation a statutory Duty of Care to be placed upon acquiring authorities.

(2) The Duty of Care established under subsection (1) must include, but need not be confined to specifications regarding the treatment by acquiring authorities towards those losing land or property to compulsory purchase.’

*This new clause would place a Duty of Care upon acquiring authorities to ensure that those losing land or property to compulsory purchase are treated fairly, as well as introducing a clear set of guidelines by which authorities would have to adhere to and could be judged against.*

Amendment 79, in clause 141, page 70, line 44, at end insert—

‘(6) If an acquiring authority fails to make an advance payment of compensation and the landowner has fulfilled all of the requirements to facilitate a payment, the acquiring authority will not be able to take possession of the relevant land without the written permission of the landowner or until an advance payment has been made.’

*This amendment would require compensation to be paid in advance of entry to allow for the purchase of replacement land or another business asset. The failure to provide compensation in advance would prohibit the acquiring authority to take possession of the land in question without the written permission of the landowner.*

Amendment 76, in clause 142, page 71, line 15, at end insert—

‘(1A) The rate of interest on compensation due to be paid in advance of entry, but paid late, shall be set at 8% above the Bank of England base rate.

(1B) Interest on compensation that is paid after entry, but was not due in advance of entry, shall be paid at 4% above the Bank of England base rate.’

*This amendment would set the interest rate on compensation that was due before entry, but not paid on time, at 8% above the base rate, in line with the interest rate on late commercial payments. Any compensation which is paid after entry but was not quantifiable at the time of entry would attract an interest rate of 4% above the base rate, in line with commercial lending rates.*

Amendment 77, page 71, leave out lines 24 to 32.

*This amendment is consequential to amendment 76.*

**Mr Jones:** First, I shall respond to the point raised by the Chairman of the Select Committee. I know he has discussed it with the Minister for Housing and Planning previously, and the Minister has just told me that he will undertake to write to him to clear up the confusion.

**Mr Betts rose—**

**Mr Jones:** I will give way later in my comments. This is the final group before we send this Bill to the other place. A small number of landlords and property agents do not manage their lettings or properties properly, sometimes exploiting their tenants and the public purse through renting out overcrowded accommodation. New clause 62 deals with the contravention of an overcrowding notice under section 139 of the Housing Act 2004. The maximum fine currently allowed is set at level four, which is £2,500. The amendment, which affects premises in England only, would remove the restriction on the fine that may be imposed. The landlords and property agents who let overcrowded properties will therefore face the same penalties as those who let out substandard and unsafe properties.

Amendments 27 to 30 revise schedule 6 to the Bill to increase the maximum amount of civil penalty that can be imposed as an alternative to prosecution for the following offences: failure to comply with an improvement notice; failure to obtain a licence for a licensable house of multiple occupation or to comply with HMO licence conditions; and failure to obtain a licence for a property subject to selective licensing, or to comply with licensed conditions. The maximum penalty for those offences will now stand at £30,000. The amendments also increase the civil penalty to £30,000 for contravening an overcrowding notice. Once again, that is in line with the civil penalties for other housing offences under the Housing Act 2004.

In addition, the offence of failing to comply with management regulations in respect of a house in multiple occupation has also been added to the list of offences that can attract civil penalties as well as an alternative to prosecution.

We have listened to the debate that has taken place as the Bill has progressed through the House. In Committee, Members expressed concern that £5,000 was not much of a disincentive for a rogue landlord to continue to operate as they could easily recoup that sum in a relatively short period of time through unlawfully continuing to rent out properties, and we absolutely agree with that. A potential fine of up to £30,000 will significantly negate any economic advantage a rogue landlord might seek to achieve through breaching a banning order. The amendments tabled during this part of our debate will help to create a fairer housing market and to see unscrupulous landlords driven from the sector.

**Teresa Pearce** (Erith and Thamesmead) (Lab): I rise to speak to new clauses 52 to 54 and amendments 154, 99 and 67.

New clause 52 follows on from the private Member’s Bill of my hon. Friend the Member for Westminster North (Ms Buck), which sought a similar aim, and from the discussions in Committee. It seeks to put into legislation a duty on all private sector landlords to ensure that, when they let their properties, they are fit for human habitation.

The majority of landlords let property that is, and remains, in a decent standard. Many go out of their way to ensure that even the slightest safety hazard is sorted out quickly and efficiently, which makes it even more distressing when we see reports of homes that are unfit for human habitation being let at often obscene prices. A quarter of a million properties in the private rented sector are estimated to have a category 1 hazard. According to a major report by Shelter, following a YouGov survey, 61% of tenants were found to have experienced mould, damp, leaking roofs or windows, electrical hazards, animal infestations or a gas leak in the previous 12 months.

**Jake Berry** (Rossendale and Darwen) (Con): I am sure that the hon. Lady will reflect the frustrations of colleagues across the House when it comes to dealing with category 1 hazards. The fact is that local authorities already have significant powers to tackle such problems. Before we give these new powers to local authorities, will she tell us what more can be done to encourage authorities to exercise the powers that they already have to tackle problems in properties?

**Teresa Pearce:** That matter was raised earlier. At the moment, the private rented sector is massively increasing, yet resources are not. I agree that many local councils have the powers, but they have depleted members of staff able to inspect properties. We need to show that we take this matter very seriously. Councils should ensure that they have properly staffed departments. I know that they will then come back and say that they do not have the funds, and that is another issue. The fact that there are not the funds does not mean that we should not make tackling the matter an aim of this House.

For more than 100 years, Parliament has legislated for standards in the private rented sector. The Housing of the Working Classes Act 1885 and the Landlord and Tenant Act 1985 both placed on landlords regulations to ensure safety in their properties. Indeed, the 1985 Act placed a statutory duty on landlords, covering issues such as damp, mould and infestation, yet those duties applied only to those fulfilling a particular limited rent criterion that is now well outdated. Last updated in 1957, those duties now apply only to properties where the annual rent is less than £80. This new clause seeks to remove those limits, which will allow the previous legislation to fulfil its purpose and to place a duty on landlords to provide a safe and secure environment.

I am sure that all Members will have received casework from constituents living in poor conditions. Indeed, in my own constituency, it is one of the biggest issues. The office phones ring off the hook with calls about mould and its impact on health and the inaction of some landlords in rectifying the situation. Where else in modern day life could someone get away with such behaviour? It is a consumer issue. If I purchased a mobile phone or a computer that did not work, did not do what it said it would, or was unsafe, I would take it back and get a refund. If I purchased food from a shop that was unsafe to eat not only would I get a refund but there is a high possibility of the shopkeeper being prosecuted. If I rent the only available property for me from a landlord and it is unsafe to live in, I can either put up or shut up. In a market where demand outstrips supply, renters lack basic consumer power to bargain for better conditions.

Shelter notes that one in eight renters have not asked for repairs to be carried out, or challenged a rent increase in the past year because they fear eviction. By introducing a new minimum that all properties must meet, we can drive up standards across the private rented sector. As there is no current legislation in place to force landlords to ensure that their property is safe to live in, a third of private rented homes fail to meet the Government's decent homes standard. Failure to legislate in this area will see the quality of accommodation in the ever-growing private rented sector fall drastically behind other tenure types.

Many Members in this place will have horror stories of poor living conditions from their own casework. Just this week a family wrote to me about thick mould covering their walls, a broken heating system, a leaking toilet and a sewage problem, and about the impact those problems had on their health. Their five-year-old son has had a cough his entire life, and he has just finished a course of steroids and yet another course of antibiotics, and their daughter suffers from constant migraines, but the landlord refuses to do anything about the problems. The environmental teams often lack resources to carry out proactive inspections and enforcement work.

Although it is true that the majority of properties are safe and fit to live in, it is unacceptable that, in 2016, we still have people—our neighbours and our constituents—up and down the country living in properties unfit for human habitation. This clause would change the lives of many tenants and provide a more robust, secure and safe private rented sector, which surely we all desire.

New clause 53 is about safety and would introduce a requirement for landlords to undertake electrical safety checks. Many organisations from across the sector support the measure, such as the Local Government Association, the London fire brigade, Shelter, the Association of Residential Letting Agents, British Gas, Crisis and the Fire Officers Association. They have all given their support in the past to measures that will see the introduction of mandatory electrical safety checks.

It is estimated that electricity causes more than 20,000 house fires each year, leading to about 350 serious injuries and 70 deaths across the UK. Carbon monoxide, gas leaks and other fires and explosions cause fewer deaths and injuries, with 300 injuries and 18 deaths—these risks remain serious and it is right that we should continue to monitor them, but that shows what is at stake as regards electrical fires in the home.

Although landlords have a duty to keep electrical installations in proper working order and to ensure that any electrical appliances they supply are safe, poorly maintained installations in the sector remain and there is no explicit requirement for landlords to prove to a tenant that a property is electrically safe. Houses in multiple occupation are inspected every five years, so if someone is in an HMO or a bed and breakfast they are safer than if they are in the more general private rented sector.

In an HMO where a landlord lets to six unrelated people, an inspection is needed, yet there will be houses let to six people, who might not be related to each other, but that are not HMOs, and there is no legislation for them. Many good landlords run electrical safety checks and ensure that all appliances are tested at the beginning and end of a tenancy, but there is growing consensus across the UK that introducing mandatory electrical safety checks is a worthy cause. We have seen movement on this issue in Scotland, where the Scottish Government have introduced provisions. In Northern Ireland, a review is being run of the private rented sector in which mandatory fire safety checks are one of the issues, and in Wales we have growing cross-party support for them.

Electrical Safety First ran a survey of MPs in England back in September, and there was overwhelming support for such a provision. In Committee, the Minister intimated that he felt warmly towards the suggestion so I would be grateful if at some point he let us know how far those conversations have gone and whether there will be some movement in future.

3.30 pm

**Jim Fitzpatrick** (Poplar and Limehouse) (Lab): My hon. Friend is making a very strong case for the Government to take electrical safety checks more seriously. May I suggest, given the pressure on housing and the increasing number of buy-to-lets, HMOs and Airbnbs, and the different ways in which people are renting property, that this is an issue that will not go away? In fact, it could get worse. As my hon. Friend says, most

[*Jim Fitzpatrick*]

decent landlords are already carrying out these checks and this is very much about encouraging those who do not to follow good practice.

**Teresa Pearce:** I thank my hon. Friend for that intervention, and that is exactly right. Across the private rented sector, many good landlords do all the things we would wish of them. It is for the minority that we need to legislate. As I mentioned, the Minister said in Committee that the Government were considering this and I know that there have been conversations with the sector, so I would be pleased to hear how far they have gone and whether something will be introduced in future.

New clause 54 would remove the three-storey condition for HMOs. That would require mandatory HMO licences for all buildings that meet all the other requirements of an HMO but are not three storeys high. HMOs come in a variety of forms and the current definition does not fit the actuality on the ground.

I know that the Government are consulting on extending mandatory licensing of HMOs and I shall be interested to hear where the Minister thinks that consultation might go. HMOs make up one of the main forms of private sector housing for students, young professionals and single people on low incomes and the three-storey threshold means that many actual HMOs do not require a licence. Indeed, down my road there is a bungalow—it clearly does not have three storeys—that has over the previous year had as many as 10 unrelated people living in it. Clearly, it would be classed as an HMO in any other regard apart from the fact that it is not three storeys high.

Private rented housing is an important part of the housing sector and with the reduction of housing benefit for the under-35s allowing only shared occupancy, more and more properties are in effect HMOs apart from the fact that they do not meet the three-storey provision. The new clause and wider Government consultation provide an opportunity to evaluate the purpose of HMO licensing simply to provide for a more robust, secure and safe private rented sector through the licensing of houses in multiple occupancy that operate with shared facilities.

Amendment 154 would lead to the retention of sections 225 and 226 of the Housing Act 2004, under which every local authority must, when carrying out a review under section 8 of the Housing Act 1985, carry out an assessment of the accommodation needs of Gypsies and Travellers who reside in the area, and provide for the Secretary of State to issue guidance on how local housing authorities can meet those needs. Clearly there has been and continues to be a need to recognise the differing housing needs of Gypsies and Travellers. Anyone with an understanding of the community will appreciate that they have different housing needs and the Government's impact assessment for the Bill recognises a perception of differential treatment of Gypsies and Travellers. In Committee there was a great deal of written and oral evidence of the devastating impact that the withdrawal of sections 225 and 226 could have on Gypsy and Traveller communities. This amendment would retain those sections.

The Joseph Rowntree Foundation noted that the former Commission for Racial Equality concluded in 2006 that Gypsies and Irish Travellers were the most

excluded groups in Britain. Concern was expressed that the existing provisions weakened the understanding of those groups' specific accommodation needs. As the Department for Communities and Local Government's "Gypsy and Traveller accommodation needs assessments: guidance" of 2007 states:

"In the past, the accommodation needs of Gypsies and Travellers . . . have not routinely formed part of the process by which local authorities assess people's housing needs. The consequences of this have been that the current and projected accommodation needs of Gypsies and Travellers have often not been well understood."

If the requirement specifically to assess their accommodation needs is removed, there will be an even higher rate of homelessness, even fewer sites to meet their assessed need will be delivered, and even less land will be allocated in local plans to meet their need.

As a result of the shortage of authorised sites, Gypsies and Travellers will have no alternative but to camp in an unauthorised manner, which impacts not only on their community but on the settled communities around them. Without authorised sites they will have difficulty accessing running water, toilets, refuse collection, schools and employment opportunities. Local authorities already spend millions of pounds each year on unauthorised encampments in legal costs, evictions, blocking off land from encampments and clear-up costs, so this is a lose-lose situation. Where Gypsies and Travellers' needs are not assessed or met, local communities are impacted upon as a consequence. The Community Law Partnership is concerned that as a result of the clause Gypsy and Traveller accommodation needs will be buried within general housing need. CLP highlights the fact that this community consists of traditionally hard to reach groups, and calls for focused guidance for local authorities to assess their needs.

Gypsies and Travellers already experience some of the poorest social outcomes of any group in our society, and accommodation is a key determinant of those wider inequalities. We have seen written evidence from the Showmen's Guild of Great Britain, the main representative body for travelling show people, which shared extreme concern about these clauses and the impact on its work. I would be grateful if the Minister outlined the impact on travelling show people and provided reassurance to the guild and show people that the clauses will not affect them.

The policy in this area is different across the nations. The Welsh Government are taking a different approach, introducing a statutory duty on local authorities to facilitate site provision. Why does the Minister think Gypsies and Travellers should face such a postcode lottery? We believe the amendment is necessary to continue support for Traveller and Gypsy communities, which are some of the most excluded groups in Britain.

There are legal concerns, too. The public sector equality duty recognises Romany Gypsies and Irish Travellers as ethnic minorities, and the European Court of Human Rights has held that the UK has an obligation to facilitate the traditional way of life of Gypsies and Travellers. Will the Minister clarify whether the removal of the clause would go against that?

Our amendment would retain sections 225 and 226 of the Housing Act 2004, which would ensure that the housing needs of Gypsies and Travellers were assessed by local authorities. This would make sure that safe sites could continue to be identified and would avoid

the lose-lose situation set out in the Bill, where an under-represented group faces the prospect of its housing needs being swallowed up within the general housing need. As the clause stands, it would lead to many unintended consequences—a shortage of authorised sites for Gypsies and Travellers, a rise in unauthorised sites, worse safety standards, and greater pressure on local authorities and on local communities. I hope the Government will consider the amendment.

Amendment 99 to clause 92 would ensure that those with an entry on the database of rogue landlords and letting agents would not be granted a licence to run an HMO. Although those subject to a banning order would not be able to receive an HMO licence as they would be in breach of the banning order, there may be others on the rogue landlord and letting agents database who could still apply and receive an HMO licence. As the House is aware, a local housing authority may include other persons on the database, rather than applying for a banning order in a case where a person's offences are slightly less serious and the local authority considers that monitoring the person is more appropriate than seeking a banning order. This amendment seeks assurance that those people would not be considered for an HMO licence. It would have the added bonus of ensuring that the local housing authority checked with the rogue landlords and letting agents database to ensure that the application was allowed and that nobody subject to a banning order could slip through. If in future the database of rogue landlords and letting agents were expanded, that would provide further protection for tenants against such landlords.

As was mentioned in earlier debates, including in Committee, we support measures to tackle rogue landlords to ensure security and safety for tenants in the sector and to penalise criminal landlords. However, we would like this further measure to be added, to ensure that in no circumstances can rogue landlords be granted an HMO licence. The amendment would help drive up standards across the sector and protect tenants in HMOs from rogue landlords.

Amendment 67 relates to clause 93, which would change the Housing Act 2004

“to allow financial penalties to be imposed as an alternative to prosecution for certain offences.”

Our amendment would ensure that financial penalties could be sought “in addition” to prosecution rather than as an alternative. Although we support the measures that tackle rogue landlords, we believe that the Bill could go further to penalise criminal landlords, to make it harder for them to get away with housing-related offences and deter them from committing the crimes and from returning to the sector, as well as providing an adequate punishment for their offence.

At present, the Bill would allow for a financial penalty to be sought instead of a criminal prosecution in cases ranging from failure to comply with improvement notices to letting an unlicensed HMO, among other offences. Clearly there will be cases in which a financial penalty is more appropriate, just as a prosecution route will be in others. However, there may well be further situations where both routes would be appropriate. Our amendment would allow that to happen.

The amendment would also help in situations where the impact of the offence was unclear. A local authority may deem a financial penalty appropriate, but for repeat

offenders, or if the impact of the original offence escalates, it may also wish to use an additional prosecution route. Making provision for both routes will allow greater flexibility: local authorities could choose to fine, prosecute or do both. The amendment would increase the options available to local authorities. In that way, we hope to ensure further security and safety for tenants in the sector and to help drive up standards.

If the Government do not agree to it, we will divide the House on new clause 52. Amendments 79, 76 and 77, tabled by the hon. Member for Bromley and Chislehurst (Robert Neill), among others, seek to test the House's will on the compulsory purchase order provisions. We believe that those amendments would water down those provisions, so the Opposition will oppose them in a vote.

**Mrs Main:** I rise to speak in favour of new clause 42. It is a contradictory situation, but in very high-value areas such as St Albans people often want to live in mobile home parks because that is the most affordable route to securing their own home. There are many mobile home sites in my constituency, as well as some of the highest house prices and lowest affordability in the country.

I was pleased when the coalition Government sought to tackle some of the abuses of rogue site owners, but the issue of people being able to sell their own mobile home freely without being shackled with enormous costs really needs tackling. New clause 42 probes that issue and I would be interested to hear the Minister's views.

Residents at Newlands Park, a mobile home park in my constituency, have told me that when a home becomes available it is often so difficult to sell that the site owner ends up buying it. Gradually, more and more park homes are becoming the property of the site owner, who then rents them out for very high rents. On many sites in the United Kingdom not only is the cost of selling mobile homes hugely disproportionate to the value of the units, but restrictions are placed on those selling them. For example, in Newlands Park there is an insistence that the site owner should vet the potential new buyer of the mobile home. There are also restrictions on how and when advertisements for selling the mobile home can be displayed, and on the associated wording. As a result, mobile home or park home sites that are poorly run, or run by landlords imposing onerous demands, can start to become controlled by the site owner. This Bill—or, if not this one, perhaps another relating to the Mobile Homes Act 2013—could provide a tool to try to restrict the control that unscrupulous owners may choose to try to exercise over those who wish to divest themselves of a park home site.

3.45 pm

Park home sites are often owned by elderly, divorced or single people, or people on very low incomes, who are not always very savvy or able to defend themselves legally should they find themselves put in a difficult position. Putting new clause 42 into law would show the willingness of the Government to support these owners. It might also be a shot across the bows of the unscrupulous site owners who seek to make life so difficult and expensive for park home owners who are selling homes, often as a result of an elderly person having died. In the end, they give up and sell it to the site owner, and he or

she—he, in this case—builds up a lucrative property empire, in effect removing the ability of other people on low incomes to buy them in an affordable manner.

The drift of the new clause is very welcome. I hope that the Minister can indicate whether greater protections are going to be given to people who live on park home sites. If it is not going to happen now, I would like to know that it is coming down the road at some point in future, because park home owners have been one of the most disadvantaged, grey areas within housing, and it is time that they had a much stronger champion. This Government, in coalition, acted last time, and I hope that this time they will take it a step further and strengthen the protections for park home owners.

**Jim Fitzpatrick:** I am pleased to follow the hon. Member for St Albans (Mrs Main), who, apart from her other duties in this place, very ably leads the all-party parliamentary group on Bangladesh, on which I am pleased to be one of her vice-chairs.

I want to speak on new clauses 3 and 4, which stand in my name. I express my appreciation to Mr Glenn McKee in the Public Bill Office for his expert assistance in drafting them. I thank the Leasehold Knowledge Partnership for its encouragement in making sure that we have new clause 3 on leasehold reform. Poplar and Limehouse has the second highest number of leasehold properties in the country, so this is a matter of great constituency significance. In relation to new clause 4 on tenants' rights, 50% of the properties are social-rented, so that is also a big issue locally.

I am pleased that the Government have recognised the scale of the leasehold reform issue. The hon. Member for Worthing West (Sir Peter Bottomley) has led on the issue, having campaigned on leasehold reform for many years. I am pleased to support him, backed up by the Leasehold Knowledge Partnership, which is organised by Martin Boyd and Sebastian O'Kelly. The hon. Gentleman and I have arranged a number of open forums here at Westminster for parties interested in leasehold reform. They have been attended by professional bodies, individual leaseholders and others who have raised these matters with the civil service and with Government. I am grateful to the Minister for affording us a number of opportunities to meet him and civil servants at DCLG to explore these issues and try to identify a way forward.

One of the major successes that we have had in the past 12 months is that although the Government initially estimated that there were between 2 million and 2.25 million leaseholders, it has now been recognised that there are now at least 4.5 million. That demonstrates that this is a bigger problem than perhaps the Government thought it was before. Of course, that does not take into account the nearly 2 million leaseholders of former council properties who exercised right to buy or who subsequently bought those properties, so we are talking about nearly 6 million households, which means that a significant number of our citizens are affected by leasehold regulation.

The issue affects my constituents, among whom are not only very wealthy professionals who live in smart and very expensive properties in Canary Wharf, but a number of pensioners in the east end who exercised right to buy and who own former council properties. They clearly do not have access to the resources, assets

or finances available to some of my constituents. The issue also affects retirement homes. Leaseholders are represented in every strata of society, from the poorest right the way to the richest, so nobody is excluded from being exposed to the vulnerability of living in a leasehold property.

I use the word "vulnerable" because the lack of protection and the informal dispute resolution procedure, which is abused by unscrupulous freeholders who employ high-powered barristers, affects ordinary leaseholders, whether they be professionals, rich or poor. I see that Conservative Members are smiling because they are either vulnerable leaseholders or freeholders. I will not say that they are unscrupulous, because that certainly does not apply to the hon. Member for Bromley and Chislehurst (Robert Neill), who I know, as a fellow West Ham United supporter, would never be unscrupulous when it comes to his properties. There are major anomalies and weaknesses in leasehold regulation, including the amount paid in service charges, as well as insurance, ground rent and forfeiture charges, all of which mean that leaseholders are vulnerable to unscrupulous freeholders. Sadly, there are too many such freeholders, even though they are in the minority.

It is appropriate to recognise that the sector has been attempting to improve its performance and raise its game with a new voluntary code. Significant progress has been made, but leasehold reform should be on the Government's radar, especially given that leasehold has been increasingly used over many years. Six major statutes, a number of statutory instruments and dozens of sections of other Acts of Parliament have dealt with the issue. Previous Conservative Administrations—notably in 1985, 1987 and 1993—and Labour's Commonhold and Leasehold Reform Act 2002 all tried to address that which is recognised collectively as an area that needs attention, but we have signally failed to protect leaseholders. I would be interested to hear the Minister's response.

New clause 3 proposes to abolish leasehold by 2020. I hope—I am sure that other colleagues do, too—that it will galvanise the Government into asking why nothing has happened in respect of commonhold. I understand that the Government have been having key discussions on moving responsibility for commonhold legislation, which still falls under the Ministry of Justice, to the Department for Communities and Local Government and the housing department. It would make sense to place such responsibility for housing in that Department. At the end of the previous Administration, with the general election approaching, all three main political parties supported moving that responsibility to DCLG, but there has been no movement. I would be grateful to hear the Minister's response.

New clause 4 is far less complex, but I am disappointed that there has been no movement on the issue, because it is very much one of localism and community empowerment. One of the few existing protections for leaseholders—it is, however, very difficult to implement—is the right to sack property management companies responsible for the upkeep of residents' homes. There is provision within legislation for ballots to take place, and a simple majority allows residents to look for a new property management company to manage their properties. However, as I have said, it can very seldom be used.

In recent decades, many thousands of tenants in my constituency have voted in stock transfer ballots to move responsibility for their homes from the council to



housing associations. That was one of the mechanisms that the Labour Government between 1997 and 2010 used to deal with the 2 million homes we inherited that were perceived as being below the decency threshold. That led to upgrades of nearly 1.5 million of those properties by 2010, including new kitchens and bathrooms, double glazing, new security and all the rest of it.

Most such schemes were successful. However, in a small minority of transfers, the offer provided by the housing associations when seeking the support of local tenants was not delivered. There is no provision for those tenants to express their disappointment and to sack their registered social landlord. This is a basic element of consumer protection. For any product that one buys on the open market, there are protections in consumer law—the ability to return the product, and to seek a refund, redress or compensation—but for a home, and a council tenant who has voted to move to a new registered social landlord, there is nowhere else to go once they have been transferred. A leaseholder at least has such a provision, even though it is rarely used.

With my new clause 4, I am trying to introduce an provision—with, I suggest, a five-yearly review—to give council tenants an opportunity to say to the housing association or their registered social landlord that is supposed to deliver the services for which tenants are paying, “You are not doing a good enough job. If you don’t up your game, we will have a ballot in five years’ time. We can then sack you and move to a new housing association, go back to the council or set up a tenant management organisation.” That would basically give tenants the right to hold their housing association to account.

The current protections are to complain to the Housing Ombudsman Service, the Homes and Communities Agency or the regulator. It is very difficult to go to such lengths, however, and the regulator is very reluctant to transfer ownership and responsibility from one housing association to another. New clause 4 suggests that tenants should have the right, when the registered social landlord or housing association is not delivering, to say, “You’re not doing a good enough job. We want somebody else to manage our property.”

On new clauses 3 and 4, one of which is very complex and the other relatively straightforward, I am very disappointed that the Government have not seen it to be in their interest to introduce such provisions. I am sure that there will be some interest in them when the Bill makes progress in the other place. I will be very interested to hear the Minister’s response to the points I have made in supporting my new clauses.

**Robert Neill** (Bromley and Chislehurst) (Con): It is always a particular pleasure to follow the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). As a fellow officer of the all-party group for the advancement of West Ham United—happily, they are doing rather well at the moment—it is always a pleasure to speak after him and to recognise his very real commitment and expertise in housing, particularly in the area of leasehold.

I ought to refer to my entries in the Register of Members’ Financial Interests. One of them includes being a leaseholder in the hon. Gentleman’s constituency.

My experience of stock transfer has been rather more positive, but his serious and important points need to be addressed. For any London MP, dealing with leaseholders is particularly important, because leasehold is such a critical part of the capital’s housing stock.

I was reminded of some of the remarks made to me in the past by my good friend, who has now left the House, Jacqui Lait, the former Member for Parliament for Beckenham. Many hon. Members will recall that she was a very doughty and active advocate of leasehold reform and of improvement in that area of the law. It is time that we paid tribute to her for her work.

I will turn to new clause 47 and amendments 79, 76 and 77 on compulsory purchase, which stand in my name. My smile at the hon. Member for Poplar and Limehouse related not so much to being a leaseholder, but to his reference to high-powered barristers. It never quite seemed like that in the Bow county court—that is all I can say.

4 pm

Compulsory purchase is a complex but important area of law and one where Ministers are engaged in the need for reform. The simple truth is that our compulsory purchase law has evolved piecemeal since about 1840, when the initial legislation and case law started. It has grown up incrementally, it is not coherent and lags well behind the rest of the planning system in terms of being updated. The Law Commission has recognised that and continues to work on it. I hope that we will revisit this matter in the course of this Parliament. Frankly, we need to get a grip of compulsory purchase law and have wholesale reform. That is not possible in the context of this Bill, but I welcome the improvements that it does make on compulsory purchase and land compensation, which are good steps forward. I will suggest some other steps forward.

I am sorry that the hon. Member for Erith and Thamesmead (Teresa Pearce) thinks that these are negative proposals. I do not see them that way and will try to persuade her of that, although I suspect I will not succeed, given that she comes from Charlton territory. For all that, let me at least try.

I will set out the essence of what I am trying to do. There are three aspects of the new clause and amendments. First, they are about fairness of treatment to landowners whose land is acquired compulsorily. People assume that this somehow relates to landed estates and the aristocracy, but that is not the case at all. Many people whose land is acquired compulsorily are small businesses or smallholders in one way or another. They are small people who sometimes struggle to finance the running of their businesses. It can happen in an urban area. We can think of compulsory purchase orders that have been made in relation to infrastructure projects in London and elsewhere. Fair treatment for the landowner is as important as fair treatment for the public or other authority that acquires the land.

Secondly, we must ensure that there is prompt payment. I think all of us would agree that, whatever the circumstances, the payment of compensation should be done swiftly and at a fair rate of interest. The rate of interest is the third aspect of my amendments. We are still deficient in this. The Government have made an important step forward in the Bill in increasing the rate of interest. I welcome that, as do bodies such as the

Country Land and Business Association, which represents landowners and businesses in rural areas, but I am pressing Ministers to go further.

Let me explain why these changes are needed. First, there is the question of a duty of care. Duties of care are often written into statute in relation to a number of issues. The acquisition of land can bring fundamental change to the future of a business in an area and to families. Frequently, we are talking about family businesses that may be acquired or have part of their land acquired compulsorily. There is nothing wrong with compulsory acquisition. It is sometimes necessary for the greater good, but the fair treatment of those people is important.

New clause 47 would place a duty of care on acquiring authorities to ensure that those who lose land or property through compulsory purchase are treated fairly. It would also introduce a clear set of guidelines by which the authority would have to adhere and against which it could be judged objectively. The Minister might say that we do not need primary legislation for that. We can talk about that in due course, but the issue needs to be flagged up because there is concern among many practitioners.

I am grateful for the support not only of Mr McKee in the Table Office, who was rightly referred to earlier, but of people in the Compulsory Purchase Association—practitioners in the legal field—who highlighted the concern about consistency and suggested the possible means of having a transparent mechanism for determining a fair rate of compensation. At the moment, there is a bit of a horse-trading process. A proper set of guidelines on conduct would give people a benchmark against which to judge whether the acquiring authority was behaving in a fair and reasonable fashion.

The state gives considerable power to acquiring authorities in compulsory purchase. I do not object to that, but the corollary is that it should be exercised in a sensible, professional and genuinely fair fashion. Most of the time it is, but there are occasions when it is not, and that is what we are seeking to address. If that measure might be achieved through means other than primary legislation, I hope that we can take that forward in the constructive way that the Housing and Planning Minister spoke about when discussing the other compulsory purchase amendment that I tabled on Report. I hope the Minister will concede that we need to address this issue.

Amendments 76, 77 and 79 are tabled in my name, but it is not right to characterise them as weakening the power of compulsory purchase. Compulsory purchase requires fairness for both sides, and we are seeking first to ensure prompt payment, and secondly to ensure that payment comes at a fair rate of interest for those who will be paid. Amendment 79 deals with advance payment. Often, if land is compulsorily acquired, whether that land is a farm or a rural business—the principle is the same—people find it difficult to secure funding to take their business forward. If part of their holding is severed and part of the business is, in effect, taken away, that may interrupt and disturb their existing financial arrangements with their bank. They may have to go back to the bank because they have mortgaged or borrowed against X number of acres, and suddenly that figure is reduced and the bank will inevitably want to reconsider its arrangements. In order to give comfort to the bank,

it is important that people receive prompt compensation and at a fair rate for what has been taken. That is what we are seeking to address.

At the moment, even though it is possible to sort out the acquisition and compensation sum, there are frequently long delays after the authority has taken possession of the land. Once the acquiring authority has taken possession of land under compulsory purchase, it is no longer available for use as part of the business. The land has gone from the landowner, but they might not receive compensation for many months and they will have to make bridging arrangements with their banks in the interim.

**Jake Berry:** Before coming to Parliament I was involved in a case in which the bank required an immediate repayment of a loan facility because of the reduction in its security, and the business had to close because it did not have immediate access to funds. My hon. Friend's reasonable amendment suggests that payment should be made promptly to ensure that in such a situation there is a possibility of the business continuing. I would have thought that would be welcome.

**Robert Neill:** I am grateful to my hon. Friend, who I know has professional experience and expertise in this matter. Of all the amendments and new clauses in my name, I urge the Minister most strongly to pay urgent attention to this provision. As my hon. Friend said, this issue is the one thing that puts people out of business, and that cannot be in anybody's interest, and I urge the Minister to look swiftly and urgently at the matter. Perhaps it does not require primary legislation, but it needs to be addressed. My hon. Friend is right—established firms have folded from time to time when the bank required a redemption, and people may need to increase their exposure and put up the family home, for example, to provide that security, which cannot be just under such circumstances. My hon. Friend effectively encapsulates the point of the amendment.

Finally, failing to pay advance compensation runs contrary to virtually all other commercial transactions, and it is an outlier that often puts people who have been compulsorily required to sell in a disadvantageous position compared with public bodies. It makes it really difficult for any landowner or businessperson to run their business efficiently against that backdrop, as they do not have the financial security they would otherwise have. That is the purpose of the amendment and I hope it will be looked on favourably by the Government. I am not fussed about the route. Achieving outcome and fairness is the most important thing. Amendment 77 is consequential to that amendment; they hang together.

On amendment 76, it is important not only to have prompt payment but a realistic level of compensation. That can be assessed through the current system, but there is the question of interest on late payment. The coalition Government and the current Government have rightly emphasised the importance of prompt payment to businesses, and the Department for Business, Innovation and Skills set up codes to encourage prompt payment. The importance of prompt payment weighs particularly heavily on small and medium-sized enterprises, because they are more exposed than most to the need for external bank financing. They are not likely to be able to draw down on capital.

I recognise and welcome the Government's increase—to 4% as I recall—in the rate paid. That is an important and valuable step forward, but, for exactly the same reasons that have already been referred to, I urge them to go further. When a compulsory purchase goes through, very often landholders find it difficult to secure the funding to move forward. In particular, it is important to have a realistic rate of interest. Even with the current proposed changes, the rate will lag behind what is effectively the market rate.

The nature of compulsory purchase means that the majority of compensation due is meant to be paid before entry. When it is, all well and good. When it is not, there ought to be some compensation for those held up by late payment. By and large, the Government have now proposed introducing an interest rate of 2% above the base rate on late payments. That is a step forward, but still well below the commercial rate.

On compensation due before entry but not paid on time, the amendments seek an interest rate of 8% above the base rate. That is in line with the rate of interest charged on the late payment of commercial transactions. The truth is that that would be no burden on acquiring authorities. All they have to do is pay on time. If they pay on time, they will not attract the punitive rate of interest. It is a spur to good behaviour by acquiring authorities. An 8% rate would be closer to the market rate than the 4% rate currently available.

We suggest that any compensation on a quantifiable amount should be at 8%, which would put it in line with interest on a judgment debt after a finding by a court or tribunal. Other payments, which are not always quantifiable immediately but become apparent, should attract an interest rate of 4% above the base rate. That would be in line with commercial lending rates. We are therefore simply saying to acquiring authorities, "Behave like any other commercial body would." I say to those on the Opposition Front Bench that that would not undermine the compulsory purchase regime, but ensure fairness and efficiency from an acquiring authority. Those that are efficient would have nothing to fear: if they just pay up promptly they will not have to pay the rate. If they do not, why should a landowner who has been compulsorily acquired against be in a worse position than if the land had been acquired as a result of a commercial negotiation or a judgment of a court not under the compulsory purchase regime?

That is the point of the amendments. They may sound technical, but they are actually quite important to a lot of rural businesses. I can say that there is little constituency interest for me—I think we have one farm in Bromley and Chislehurst—but this is an important issue for many businesses in rural areas.

**Catherine West** (Hornsey and Wood Green) (Lab): It is a delight to follow my colleague from the all-party group on London, the hon. Member for Bromley and Chislehurst (Robert Neill), given his expertise on housing and planning. I want to talk about conditions in the private rented sector and to express my agreement with my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) on leasehold reform.

4.15 pm

I am not an expert on housing and planning, but I have just opened my 1,000th constituency case since 8 May—there is an awful lot of work to be done—and

60% of those who have come to see me, written to me, phoned me or emailed me have talked about housing. Whereas 20 years ago the Member for Hornsey and Wood Green would have been dealing mainly with local authorities, housing associations and homeowners, many more cases now relate to the private rented sector. For that reason, it is a pleasure to speak today. As we know from our debate on the private Member's Bill promoted by my hon. Friend the Member for Westminster North (Ms Buck), the condition of many homes in the private rented sector leaves something to be desired. Instead of 10% or 15%, up to 45% of the population of an average London borough are in the private rented sector, which is why we need to be much more ambitious when it comes to the quality of homes.

We know that fewer and fewer people can afford to own their own home and that the level of homeownership is at an all-time low. The Government's policy is to try and assist people, but, when I last looked, only one household in my constituency, which has 80,000 electors, had been helped by the Government's Help to Buy incentive scheme, which indicates how difficult it is for people to get on the housing ladder. It is important, therefore, that while people save up, in the hope of one day owning a home, we ensure high-quality private rented homes.

Most landlords are very good and want to look after their tenants and follow best practice, but unfortunately, owing to the high demand for privately rented homes and because people want to live near where they work, standards sometimes drop and people are afraid to raise issues of poor quality with their landlord for fear of being evicted. We have heard stories of people queueing up with baked goods—cakes, biscuits and so on—for landlords and saying, "Please can I be your tenant?", such is the demand for properties. There is, therefore, no great incentive on landlords to provide high-quality homes. Instead of having to fix the plumbing, they are getting cakes. We are ambitious for our communities, however, and want to ensure the provision of high-quality homes. We need to ring-fence funding for local authorities to ensure quality in the privately rented sector. Local authorities, given their duty to prevent homelessness, should have an eye to this anyway, but they rightly complain of a lack of funding, so we should ring-fence funding for high-quality homes, particularly as up to 40% of families live in the private rented sector.

My particular bugbear is where housing benefit either wholly or partly pays the rent. That is state-sponsored squalor. It is not fair that the state subsidises landlords where conditions are not good. It is one thing for people paying out of their own pockets to think, "Maybe I won't demand better conditions", but, where the state subsidises landlords, we must demand much better quality homes.

**Jake Berry:** Will the hon. Lady join me in hoping that, where a tenant also receives housing benefit, the landlord will offer a longer lease? Up to 45% of people in London boroughs rent in the private sector, but the assured shorthold tenancy is not fit for purpose for families. Will she join me in encouraging the Government to take forward their very good proposal to encourage landlords to offer family-friendly tenancies with longer lease terms, especially where tenants receive housing benefit?

**Catherine West:** I thank the hon. Gentleman for that excellent point, which is something I have campaigned on for a long time. Now that the private rented sector is the new normal, we need to move towards tenancies of three or four years. People do not have to accept three or four years, but six months as the norm is simply unacceptable, particularly when we know that in places such as Finsbury Park people need an income of £75,000 to rent a three-bedroomed place for the family. Finsbury Park is not Chelsea, but now that such a high income is required, we need to do much more to deal with the problem of short-term leases and lack of security. The length of tenancy is a crucial issue. I am sure we will get another bite at the cherry when it comes to tabling an amendment to deal with that. Unfortunately, such an amendment was not accepted in Committee, but we will continue to campaign for it. The hon. Member for Rossendale and Darwen (Jake Berry) was quite right to mention it.

In the olden days, we used to talk about the decent homes standard, which included things such as kitchens and bathrooms, heating, security, windows and so on. We should have exactly the same thing in mind when we talk about conditions in the private rented sector. We all know about the long-term health impact of living in a cold home. Now and, funnily enough, in many places, our social homes have better conditions—on account of the decent homes standards I mentioned, which were introduced under the Labour Government up to 2010—and many tenants live in quite acceptable accommodation.

Private tenants, however, who are now paying more, are living in colder homes, which we know leads to a greater chance of getting respiratory illnesses. In London, we should not be seeing the increased number of tuberculosis cases that we are seeing. Tuberculosis is aggravated by overcrowded and cold accommodation. Problems such as these are a regular feature of our constituency surgeries, and we should be ambitious about seeing the end of something like tuberculosis.

Another issue is the number of days that children miss at school because of illness, and this applies whether we are talking about primary school, secondary school when pupils are doing their GCSEs or even university years. Asthma, chronic obstructive pulmonary disorders and other respiratory problems are holding our youngsters back; and we must not forget the healthcare of our older folk.

When we are reflecting on what we want our local authorities to look at, I hope that we can include high-quality heating systems. I would be surprised to find any social sector homes left in the borough of Haringey that did not have a proper heating system. However, I have been into homes in the private rented sector where tenants are still switching on low-quality heating systems.

That brings me to the point made by my hon. Friend the Member for Poplar and Limehouse about the importance of having electricity checks. Every local authority knows about CORGI—Council for Registered Gas Installers—and it seems to me basic common sense that we need something similar to that for electricity. It will need a new name, but we need something for electricity standards—names on a postcard to the Deputy Speaker if anyone can think of one today. The CORGI standard is the reason we do not have as many accidents caused by problems with gas. People have campaigned on gas standards for the last 20 years and we now have

that protection put into rules and regulations through statute. When checks are carried out for gas, we could do the same thing for electrics. It is such a basic point; we must make this part of what we do.

My hon. Friend the Member for Poplar and Limehouse and others mentioned leaseholder issues. With 4.5 million people living in leasehold properties, it has become, like the private rented sector, the new normal. A third of all residents living in social homes in some of our London boroughs are leaseholders, so we need to look further at providing some form of regulation to deal with service charges and ground charges, and to control the interaction between the freeholders and the leaseholders. A number of leaseholders have come to me with specific questions in circumstances where it is plain that the freeholder is not being a good landlord. We need to deal with that, and we need some kind of cap on what can be charged where the freeholder is a private entity and leaseholders are at their mercy when it comes to repairs, unreasonably high bills and general lack of rights. Being a Member of Parliament with just one caseworker in a constituency where there are thousands of unhappy leaseholders is not good. [*Laughter.*] Everyone is laughing because they know what the situation is like for leaseholders.

There are a number of other steps that need to be taken, and I think that we may need more time to consider them. Some of them are very specific. In the case of both the private rented sector and leaseholders, we are no longer talking about small groups; we are talking about more and more people who cannot afford to buy into the property market and get on to the housing ladder. Notwithstanding all the announcements by politicians wearing hard hats and wonderful fluorescent jackets, we know that supply is a desperate problem which will not be fixed overnight. What we can do is improve the conditions of leaseholders, and, first and foremost, ensure that the private rented sector is at the forefront of our minds.

**John Stevenson (Carlisle) (Con):** I want to say a few words about new clause 42. I thank my hon. Friend the Member for St Albans (Mrs Main) for her support, and I entirely agree with what she said earlier.

The Minister will be pleased to know that I do not intend to press the new clause to a vote. However, I seek a reassurance from him that the issue will be properly reviewed in 2017—as has been proposed by Ministers previously—and that, if necessary, the Government will seek to amend the law if that is required.

Given that the Bill concerns housing, there have of course been discussions about home ownership, whether freehold or leasehold, and about tenancies, whether in the private or the social housing sector. There are also different types of housing: detached houses, terraced houses and flats. However, we should not forget the mobile park home. A surprising number of people own such accommodation in constituencies all over the country, and certainly in mine. Under the current law, a site owner can charge a commission of up to 10% on the sale price, which I think many people—including politicians and, especially, mobile park home owners—consider to be grossly unfair and, indeed, outdated. I acknowledge that the commission was reduced from 15% to 10%, so there was an acceptance that it was an issue, but that was back in 1983. I think that we live in a very different world now, and that the 10% commission should be reviewed.

**Mrs Main:** There are other exorbitant charges. For instance, mobile owners buy their fuel through site owners, who can rack up charges all over the place. This is just another opportunity to milk some rather poorer members of the community.

**John Stevenson:** That is an interesting point. Although I have concentrated on just one aspect of mobile homes, I think that the 2017 review should consider the issue holistically, across the board, rather than focusing on one or two specific issues.

My new clause would reduce the maximum commission to 5%. I accept that there are counter-arguments. Site owners suggest that the commission forms part of their investment calculations or business models, and can make their businesses viable. They also suggest that a reduction in the commission could result in increased pitch fees or service charges. The Select Committee considered the issue during the last Parliament, and concluded that the commission should remain at 10%. I would ask, however, whether it is right for site owners to benefit from an increase in value when they have not actually done anything. I do not believe that it is.

There are a number of possible solutions. We could gradually reduce the percentage—by, say, 1% a year over five years—to allow site owners to adjust their business models. The commission could be charged only on the difference between the original purchase price and the subsequent sale price. Alternatively, there could be a straight reduction from 10% to 5%, as my new clause suggests. I accept that there could be an increase in pitch fees, but arguably that would reflect the true costs of running a site. Site owners cannot guarantee that they will receive income from any sales because they do not know when those sales will occur.

The new clause is intended to achieve three things. It is intended to highlight the issue in the House, and to remind Ministers that there are different forms of home ownership and that this is one of them. Most important of all, however, I seek confirmation from the Minister that the Government will properly and comprehensively review the issue of mobile park homes in 2017, as previously promised.

4.30 pm

**Sir Peter Bottomley** (Worthing West): May I pick up the words of my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) on the need for fair outcomes, and may I tie that to the excellent speech by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), with whom I co-operate on leasehold issues? His new clause 3 talks about commonhold. The Act on that of about 13 years ago did not work. I ask the Government to make sure that by the time this Bill gets considered in the House of Lords, they will put in the simple changes that will make commonhold accessible, before we even get to the point made in the hon. Gentleman's amendment, which is to transfer all long leaseholds to commonhold.

**Barry Gardiner:** Does the hon. Gentleman agree that had commonhold been part of the conditions for developers, with all new build having to be sold as commonhold in 2002, that would have effected the step-change many of us wanted to see at the time?

**Sir Peter Bottomley:** Yes. I thank the hon. Gentleman for raising that.

Each Member of this House has on average 9,000 leasehold residential properties in their constituency; that is 15,000 constituents. In London, over half the homes owned are leasehold. Over half the homes in the Government drive for more property will be leasehold. They should be commonhold.

The scandals attached to this situation are set out in my contribution to the Queen's Speech debate in June 2014, when I listed the kind of things that the Tchenguiz interest got involved in, when the old Peverel and Cirrus call button scandal was going on. I make this warning to those who are accumulating bunches of freeholds because they think they are going to get an extraordinary return from charges other than simple ground rent: do not expect that to be left alone by Parliament or the courts. I hope that by the time this Bill gets into the House of Lords, the Law Commission proposals on event fees can be put into legislation, rather than having to wait two or three years for another Bill to come by, and I make this point: any kind of unfair clause should be declared ineffective by the property chambers, the High Court, the Court of Appeal and the Supreme Court because for too long bad freeholders, sometimes with incompetent managing agents, have exploited leaseholders, whether previously from council homes or in the private sector.

I say to McCarthy and Stone, who have come back and may go for a flotation this year, "You try to explain why it is that so many retirement properties that come on to the second-hand market do so at a far lower value than when they were first sold." Solicitors should warn their clients about the problem. We can solve the problem so that McCarthy and Stone, and our constituents, can have a better future.

**Jake Berry:** I want to speak briefly to new clause 3 proposed by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). I have some concerns about it and I guess that it was tabled to probe this issue, which is extremely important and on which I think the Government should look to act.

Long leases in the residential sector have been one of the most established forms of tenure in our country for literally hundreds of years. I can remember when I was training as a property lawyer and looked at the leases of the Grosvenor Estate, for which 999 years was the average lease term. I remember thinking, "I'll be long dead before anyone has to consider this returning to the freeholder." I draw Members' attention to my entry in the Register of Members' Financial Interests: I own some properties on long leaseholds.

It is important to note that although there are problems with long leaseholds and that form of tenure, a lot of them tend to be London-related. In my constituency, leasehold is often a way of protecting areas by stopping inappropriate development, such as the clauses in leases that prevent the development of gardens without the landlord's or freeholder's consent. They are an important form of tenure and one that the new clause would abolish by 2020, which probably illustrates its probing nature.

Long leaseholds have advantages, particularly in the area of estate management, where I have personal experience of them. In my professional life, I have set up many estates to be run for the benefit of tenants. They have involved important cost-sharing measures relating

[*Jake Berry*]

to matters such as estate roads and the maintenance of the outside of buildings. It is important that we preserve such measures in any changes that we make to this historic and important form of tenure. That said, the spirit of the proposal seems to relate to estates with service charges and rent charges, and to ask what more the Government can do to ensure that the interests of tenants are protected. This is an important area and I hope that the Government will explore it in more detail in the months and years to come.

A particular issue with leasehold properties occurs when the management company no longer exists. This is a big issue on housing estates. I can think of one in Irwell Vale in my constituency—unfortunately, it was severely flooded on Boxing day—in which the road attached to the estate has been passed to a freehold company. Despite the tenants and other residents of the estate being more than prepared to contribute to the maintenance of the road, it can no longer be maintained. The Government should certainly look into the circumstances in which tenants want to take on the management of an estate. There should be specific provisions for when some freeholders have exercised their rights under leasehold enfranchisement legislation and taken away the landlord's interest but some leaseholders are still involved. This is a complicated area of the law, but these are not issues that can be resolved by the proposals in new clause 3. I will not support the new clause, but it would be worth while for the Government to introduce some proposals in this important area.

I was working in a law firm when the then Labour Government introduced their proposals on commonhold, and I remember there being lots of seminars on the subject to teach us how they were going to affect property law. It never really happened, however. No one really embraced commonhold. In my view, that was not because we did not tie it to a compunction for a development to offer commonhold, but because it sought to solve problems that often did not exist. A much better route for dealing with problems relating to long leaseholds would be to give the tenants real rights and powers against the freeholder, rather than creating an entire new form of tenure.

**Barry Gardiner:** I recall the situation that the hon. Gentleman describes, because I was sponsoring the whole drive for leasehold reform at that stage, along with the hon. Member for Worthing West (Sir Peter Bottomley). The hon. Member for Rossendale and Darwen (Jake Berry) talks about giving tenants rights against the freeholder, but in some situations a head leaseholder might be putting through vicious surcharges that are completely uncalled for and charging rack rates for administering the issuing of legal letters. I do not really feel that his suggestion would present a solution, but I commend my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) for tabling his new clause. It is vital that the Government take this issue seriously. There has always been cross-party consensus that something needs to be done, and it is high time that the Government took action.

**Jake Berry:** I would like to disagree with the hon. Gentleman at length, but time will not allow me to do so. Leasehold tenure solves problems that cannot be solved by commonhold, including problems relating to

the flying freehold, which can be dealt with only by a lease. I do not believe that commonhold is the answer to that problem. Whatever the answer is, however, if we were to create a new form of tenure, of which we expected commonhold to become a part, we would have to ensure that mortgage companies were happy with it. In my career, I have seen lots of properties with a market value of zero because they were unmortgageable owing to problems with flying freeholds.

Finally, I want to comment on the proposals on the electrical safety certificate set out in new clause 53, tabled by Labour Members. It is a good idea for the Government to find ways of ensuring that landlords prioritise electrical safety, but I do not agree with the proposals in the new clause. Subsection 2(b) seems to propose that a landlord would have to provide a certificate every 12 months. That is too onerous and a longer period should be proposed.

It is important that landlords take electrical safety very seriously, but we should also be looking at ways in which we can get owner-occupiers to take it more seriously. We lived in the house I was brought up in for 35 years and when we put the light on to go into the cellar it would flicker on and off. We had had no electrical work done for 35 years, yet my parents were amazed when the people who bought the house from them, when they eventually moved, said that it needed rewiring. Anything that can encourage people to look at what is in place in their own home, not just rented properties, would be advisable. I do not think it is necessary to have primary legislation to deal with this, because I know from properties I let that estate agents often insist that landlords provide an electrical safety certificate. If they do not insist on it, often the insurance company will insist on an up-to-date electrical safety certificate for a proper buy-to-let commercial insurance policy. I am not sure that we need primary legislation, but I would encourage people to look at this.

Finally, I reiterate my call on the Government to push forward with the excellent family-friendly tenancy, which is sat there waiting for Ministers to embrace it to ensure that families are protected. All the other provisions in this Bill relating to the private rented sector would be so much more welcome if people could have more security of tenure in private rented leases.

**Mr Marcus Jones:** Given the time available, I will move straight on to dealing with the proposals. On the amendments tabled by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), I recognise the comments that he and my hon. Friend the Member for Worthing West (Sir Peter Bottomley) made about the benefits of commonhold tenure, but there are important differences between it and leasehold. For example, a different statutory framework of rights and protections is in place, and my hon. Friend the Member for Rossendale and Darwen (Jake Berry) eloquently explained his experience of some of the challenges in that area. That is partly why commonhold is, and was intended to be, a voluntary alternative to long leasehold ownership, and we believe it should remain so, without forcing commonhold on those who may not wish it. Notwithstanding that, I hear what the hon. Gentleman has said, and I know that he and my hon. Friend the Member for Worthing West have discussed this matter with the Minister for Housing and Planning. He will keep it under review and will continue the dialogue with them.

I understand the arguments put forward in new clause 4, but I do not believe it to be necessary. It would conflict with last week's deregulatory clauses. Housing association tenants already have a number of ways to scrutinise their landlords and hold them to account, in addition to the Homes and Communities Agency's regulatory standards. They may, for example, refer complaints to the housing ombudsman, who may also, along with tenants, raise specific concerns with the regulator, who has the power to initiate a statutory inquiry. That can lead to interventions in housing association management structures or to forced mergers or takeovers where the boards are not fit for purpose.

**Barry Gardiner:** Will the Minister give way?

**Mr Jones:** I need to make progress because I have not got long. I am glad to say that the regulator rarely needs to use such powers.

My hon. Friend the Member for Carlisle (John Stevenson) tabled new clause 42, and I can understand why he has raised this issue, as has my hon. Friend the Member for St Albans (Mrs Main), and why mobile home owners object to a 10% commission on the sale of a home. Commission is one of the legitimate income streams for park home businesses. If the commission was reduced or abolished, there would need to be a compensatory increase in pitch fees to cover the shortfall in income, a move which many park home residents would not support. Following its inquiry into the park homes sector in 2012, the Select Committee on Communities and Local Government held an inquiry into the park homes sector just before legislation was passed, recommending that the right of site owners to receive up to 10% commission from the sale of a home should remain in place. The coalition Government agreed with the finding of the Select Committee, and this Government's view remains unchanged. That said, the Mobile Homes Act 2013 introduced substantial changes to the sector and it is important that the new measures are given time to have an impact. We will therefore review the effectiveness of the legislation in 2017. I can reassure colleagues that a working group is already in place, and I am sure that they will await its recommendations with bated breath and anticipation.

4.45 pm

On the amendments tabled by the Opposition Front Bench, new clause 52 will result in unnecessary regulation and cost to landlords, which will deter further investment and push up rents for tenants. Of course we believe that all homes should be of a decent standard, and that all tenants should have a safe place in which to live regardless of tenure, but local authorities already have strong and effective powers to deal with poor quality and unsafe accommodation, and we expect them to use them.

The hon. Member for Erith and Thamesmead (Teresa Pearce) will know that we debated the provisions in new clause 53 extensively in Committee. I confirmed then that the Government would carry out the necessary research to understand what, if any, legislative changes and amendments for such requirements in the private rented sector should be introduced. On that basis, the amendment was withdrawn. To update her, let me say that officials are now undertaking research and have spoken already to Shelter and Electrical Safety First. Given the time, I do not want to cover any further ground on that new clause in this debate.

I understand where the hon. Lady is coming from with regard to new clause 54. Local housing authorities have the power to apply additional licensing schemes to cover smaller HMOs. We issued a technical discussion paper recently seeking views on whether mandatory licences should be extended to smaller HMOs. We hope to publish a response to that in the spring, and I do not want to pre-empt that by amending the Bill at this point.

Similarly on amendment 99, a local authority is already required to have regard to a range of factors when deciding whether to grant a licence. They include whether the applicant has contravened any provision of the law relating to housing or of landlord and tenant law. That would include all offences leading to inclusion in the database.

With regard to new clause 47, I thank my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) for bringing such matters to the attention of the House. I know that he has raised them on a number of occasions, and that he has had discussions with my hon. Friend the Minister for Housing and Planning, who I know is considering what he has said extremely carefully, and will, I understand, meet him and the Country Land and Business Association.

**Robert Neill:** I am grateful to my hon. Friend for his response, and will of course not press my amendment. I hope that we can now go forward with some constructive discussions.

**Mr Jones:** In the same spirit let me say that I am extremely glad to hear that. I am sure that the Minister for Housing and Planning will continue to work with my hon. Friend, as he has undertaken to do.

In bringing this stage of the Bill to a close, I wish to say that it has been a pleasure to support my hon. Friend the Minister for Housing and Planning in helping the House to scrutinise the Bill and the amendments that we have tabled to improve it. I trust that the House will look favourably on the remaining Government amendments, and that Members who have spoken to other amendments will not push them to a Division.

*Question put and agreed to.*

*New clause 62 accordingly read a Second time, and added to the Bill.*

## **New Clause 52**

### **IMPLIED TERM OF FITNESS FOR HUMAN HABITATION IN RESIDENTIAL LETTINGS**

“(1) Section 8 of the Landlord and Tenant Act 1985 (c.70) is amended as follows.

(2) Leave out subsection (3) and insert—

“(3) Subject to subsection (7), this section applies to any tenancy or licence under which a dwelling house is let wholly or mainly for human habitation.”

(3) Leave out subsections (4) to (6).

(4) After subsection (3), insert—

“(3ZA) Subsection 1 does not apply where the condition of the dwelling-house or common parts is due to—

(a) a breach by the tenant of the duty to use the dwelling-house in a tenant-like manner, or often express term of the tenancy to the same effect; or

(b) damage by fire, flood, tempest or other natural cause or inevitable accident.

(3ZB) Subsection 1 shall not require the landlord or licensor of the dwelling house to carry out works—

(a) which would contravene any statutory obligation or restriction; or

(b) which require the consent of a superior landlord, provided that such consent has been refused and the landlord or licensor has no right of action on the basis that such refusal of consent is unreasonable.

(3ZC) Any provision of or relating to a tenancy or licence is void insofar as it purports—

(a) to exclude or limit the obligations of the landlord or licensor under this section; or

(b) to permit any forfeiture or impose on the tenant or licensee any penalty or disadvantage in the event of his seeking to enforce the obligation under subsection (1).

(3ZD) Regulations may make provision for the exclusion of certain classes of letting from subsection (1).

(3ZE) In this section “house” has the same meaning as “dwelling house” and includes—

(a) a part of a house, and

(b) any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.”

(5) In section 10 of the Landlord and Tenant Act 1985, after “waste water”, insert—

(6) Regulations may make provision for guidance as to the operation of the matters set out in section 10 which are relevant to the assessment of fitness for human habitation.

(7) This section shall come into force—

(a) in England at the end of the period of three months from the date on which this Act receives Royal Assent and shall apply to all tenancies licences and agreements for letting made on or after that date; and

(b) in Wales on a date to be appointed by the Welsh Ministers.”—(*Teresa Pearce.*)

*This new Clause would place a duty on landlords to ensure that their properties are fit for habitation when let and remain fit during the course of the tenancy.*

*Brought up, and read the First time.*

*Question put, That the clause be read a Second time.*

*The House divided: Ayes 219, Noes 312.*

## Division No. 162]

[4.49 pm

### AYES

Abbott, Ms Diane	Byrne, rh Liam
Abrahams, Debbie	Cadbury, Ruth
Alexander, Heidi	Campbell, rh Mr Alan
Anderson, Mr David	Campbell, Mr Ronnie
Ashworth, Jonathan	Champion, Sarah
Austin, Ian	Chapman, Jenny
Bailey, Mr Adrian	Clegg, rh Mr Nick
Barron, rh Kevin	Coaker, Vernon
Beckett, rh Margaret	Coffey, Ann
Benn, rh Hilary	Cooper, rh Yvette
Berger, Luciana	Corbyn, rh Jeremy
Betts, Mr Clive	Cox, Jo
Blackman-Woods, Dr Roberta	Crausby, Mr David
Blomfield, Paul	Creagh, Mary
Bradshaw, rh Mr Ben	Creasy, Stella
Brake, rh Tom	Cruddas, Jon
Brown, Lyn	Cryer, John
Bryant, Chris	Cunningham, Alex
Buck, Ms Karen	Cunningham, Mr Jim
Burgon, Richard	Dakin, Nic
Burnham, rh Andy	David, Wayne
Butler, Dawn	Davies, Geraint

De Piero, Gloria	Lewis, Clive
Donaldson, rh Mr Jeffrey M.	Lewis, Mr Ivan
Doughty, Stephen	Long Bailey, Rebecca
Dowd, Jim	Lucas, Caroline
Dowd, Peter	Lucas, Ian C.
Dugher, Michael	Lynch, Holly
Durkan, Mark	Mactaggart, rh Fiona
Edwards, Jonathan	Madders, Justin
Efford, Clive	Mahmood, Mr Khalid
Elliott, Julie	Mahmood, Shabana
Ellman, Mrs Louise	Malhotra, Seema
Esterson, Bill	Mann, John
Evans, Chris	Marris, Rob
Farrelly, Paul	Marsden, Mr Gordon
Farron, Tim	Maskell, Rachael
Field, rh Frank	Matheson, Christian
Fitzpatrick, Jim	McCabe, Steve
Flelo, Robert	McCarthy, Kerry
Fletcher, Colleen	McDonagh, Siobhain
Flint, rh Caroline	McDonald, Andy
Fovargue, Yvonne	McDonnell, John
Foxcroft, Vicky	McFadden, rh Mr Pat
Gardiner, Barry	McGinn, Conor
Glass, Pat	McGovern, Alison
Glindon, Mary	McInnes, Liz
Godsiff, Mr Roger	McKinnell, Catherine
Goodman, Helen	McMahon, Jim
Green, Kate	Miliband, rh Edward
Greenwood, Lilian	Moon, Mrs Madeleine
Greenwood, Margaret	Morden, Jessica
Griffith, Nia	Morris, Grahame M.
Gwynne, Andrew	Mulholland, Greg
Haigh, Louise	Murray, Ian
Hamilton, Fabian	Nandy, Lisa
Hanson, rh Mr David	Onn, Melanie
Harman, rh Ms Harriet	Onwurah, Chi
Harpham, Harry	Osamor, Kate
Harris, Carolyn	Owen, Albert
Hayes, Helen	Pearce, Teresa
Healey, rh John	Pennycook, Matthew
Hendrick, Mr Mark	Perkins, Toby
Hepburn, Mr Stephen	Phillips, Jess
Hermon, Lady	Pound, Stephen
Hillier, Meg	Powell, Lucy
Hodgson, Mrs Sharon	Pugh, John
Hoey, Kate	Qureshi, Yasmin
Hollern, Kate	Rayner, Angela
Hopkins, Kelvin	Reed, Mr Steve
Howarth, rh Mr George	Rees, Christina
Hunt, Tristram	Reeves, Rachel
Huq, Dr Rupa	Reynolds, Emma
Hussain, Imran	Reynolds, Jonathan
Irranca-Davies, Huw	Rimmer, Marie
Jarvis, Dan	Ritchie, Ms Margaret
Johnson, rh Alan	Robinson, Gavin
Johnson, Diana	Robinson, Mr Geoffrey
Jones, Gerald	Rotheram, Steve
Jones, Graham	Ryan, rh Joan
Jones, Helen	Saville Roberts, Liz
Jones, Mr Kevan	Sharma, Mr Virendra
Jones, Susan Elan	Sheerman, Mr Barry
Kane, Mike	Sherriff, Paula
Kaufman, rh Sir Gerald	Shuker, Mr Gavin
Keeley, Barbara	Siddiq, Tulip
Kendall, Liz	Skinner, Mr Dennis
Khan, rh Sadiq	Slaughter, Andy
Kinnock, Stephen	Smeeth, Ruth
Kyle, Peter	Smith, rh Mr Andrew
Lammy, rh Mr David	Smith, Angela
Lavery, Ian	Smith, Cat
Leslie, Chris	Smith, Jeff
Lewell-Buck, Mrs Emma	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, Derek

Twigg, Stephen  
Umunna, Mr Chuka  
Vaz, rh Keith  
Vaz, Valerie  
Watson, Mr Tom  
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:**  
**Judith Cummins and**  
**Sue Hayman**

### NOES

Adams, Nigel  
Afriyie, Adam  
Aldous, Peter  
Allan, Lucy  
Allen, Heidi  
Amess, Sir David  
Andrew, Stuart  
Ansell, Caroline  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Barwell, Gavin  
Bebb, Guto  
Bellingham, Sir Henry  
Beresford, Sir Paul  
Berry, Jake  
Berry, James  
Bingham, Andrew  
Blackman, Bob  
Blackwood, Nicola  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Borwick, Victoria  
Bottomley, Sir Peter  
Bradley, Karen  
Brady, Mr Graham  
Brazier, Mr Julian  
Bridgen, Andrew  
Brine, Steve  
Brokenshire, rh James  
Bruce, Fiona  
Buckland, Robert  
Burns, rh Sir Simon  
Burrowes, Mr David  
Burt, rh Alistair  
Cairns, Alun  
Cameron, rh Mr David  
Carmichael, Neil  
Carswell, Mr Douglas  
Cartlidge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Mr Christopher  
Churchill, Jo  
Clark, rh Greg  
Clarke, rh Mr Kenneth

Cleverly, James  
Clifton-Brown, Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Colville, Oliver  
Costa, Alberto  
Cox, Mr Geoffrey  
Crabb, rh Stephen  
Crouch, Tracey  
Davies, Byron  
Davies, Chris  
Davies, David T. C.  
Davies, Dr James  
Davies, Mims  
Davies, Philip  
Davis, rh Mr David  
Dinenage, Caroline  
Djanogly, Mr Jonathan  
Donelan, Michelle  
Dorries, Nadine  
Double, Steve  
Dowden, Oliver  
Doyle-Price, Jackie  
Drax, Richard  
Drummond, Mrs Flick  
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  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fuller, Richard  
Fysh, Marcus  
Gale, Sir Roger  
Garnier, rh Sir Edward  
Garnier, Mark  
Gauke, Mr David

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  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip  
Hammond, Stephen  
Hancock, rh Matthew  
Hands, rh Greg  
Harper, rh Mr Mark  
Harris, Rebecca  
Hart, Simon  
Haselhurst, rh Sir Alan  
Hayes, rh Mr John  
Heald, Sir Oliver  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, Damian  
Hoare, Simon  
Hollingbery, George  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Holloway, Mr Adam  
Hopkins, Kris  
Howarth, Sir Gerald  
Howell, John  
Howlett, Ben  
Huddleston, Nigel  
Hunt, rh Mr Jeremy  
Hurd, Mr Nick  
Jackson, Mr Stewart  
James, Margot  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Mr Bernard  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, Boris  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Kennedy, Seema  
Kinahan, Danny  
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  
Main, Mrs Anne  
Mak, Mr Alan  
Malthouse, Kit  
Mann, Scott  
Mathias, Dr Tania  
May, rh Mrs Theresa  
Maynard, Paul  
McCartney, Jason  
McCartney, Karl  
McLoughlin, rh Mr Patrick  
McPartland, Stephen  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw  
Metcalf, Stephen  
Miller, rh Mrs Maria  
Milling, Amanda  
Mills, Nigel  
Milton, rh Anne  
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  
Patel, rh Priti  
Paterson, rh Mr Owen  
Pawsey, Mark  
Penning, rh Mike  
Penrose, John  
Percy, Andrew  
Perry, Claire  
Phillips, Stephen  
Philp, Chris  
Pincher, Christopher  
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  
Scully, Paul  
Selous, Andrew

Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Chloe  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Mrs Caroline  
 Spencer, Mark  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Bob  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Mr Desmond  
 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  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Tyrie, rh Mr Andrew  
 Vaizey, Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watkinson, Dame Angela  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

#### Tellers for the Noes:

Sarah Newton and  
 Simon Kirby

*Question accordingly negated.*

5.3 pm

*More than four hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, 5 January).*

*The Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).*

### Schedule 6

#### FINANCIAL PENALTY AS ALTERNATIVE TO PROSECUTION UNDER HOUSING ACT 2004

*Amendments made: 27, page 103, line 30, leave out paragraphs 2 to 5 and insert—*

“2 In section 30 (offence of failing to comply with improvement notice), after subsection (6) insert—

(7) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(8) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

3 In section 72 (offences in relation to licensing of HMOs), after subsection (7) insert—

“(7A) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(7B) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

4 In section 95 (offences in relation to licensing of houses under Part 3), after subsection (6) insert—

“(6A) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(6B) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5 In section 139 (overcrowding notices), after subsection (9) insert—

“(10) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(11) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5A In section 234 (management regulations in respect of HMOs), after subsection (5) insert—

“(6) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

(7) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5B After section 249 insert—

*“Financial penalties as an alternative to prosecution*

#### **249A Financial penalties for certain housing offences in England**

“(1) The local housing authority may impose a financial penalty on a person if satisfied that the person’s conduct amounts to a relevant housing offence in respect of premises in England.

(2) In this section “relevant housing offence” means an offence under—

- (a) section 30 (failure to comply with improvement notice),
- (b) section 72 (licensing of HMOs),
- (c) section 95 (licensing of houses under Part 3),
- (d) section 139(7) (failure to comply with overcrowding notice), or
- (e) section 234 (management regulations in respect of HMOs).

(3) Only one financial penalty under this section may be imposed on a person in respect of the same conduct.

(4) The amount of a financial penalty imposed under this section is to be determined by the local housing authority, but must not be more than £30,000.

(5) The local housing authority may not impose a financial penalty in respect of any conduct amounting to a relevant housing offence if—

- (a) the person has been convicted of the offence in respect of that conduct, or
- (b) criminal proceedings for the offence have been instituted against the person in respect of the conduct and the proceedings have not been concluded.

(6) Schedule 13A deals with—

- (a) the procedure for imposing financial penalties,
- (b) appeals against financial penalties,
- (c) enforcement of financial penalties, and
- (d) guidance in respect of financial penalties.

(7) The Secretary of State may by regulations make provision about how local housing authorities are to deal with financial penalties recovered.

(8) The Secretary of State may by regulations amend the amount specified in subsection (4) to reflect changes in the value of money.

(9) For the purposes of this section a person's conduct includes a failure to act.””

*This amendment has two substantive effects as well as making certain drafting changes. The substantive effects are that: (1) an offence under section 234 of the Housing Act 2004 is added to the list of offences in respect of which a financial penalty may be imposed; (2) the maximum financial penalties available are increased.*

Amendment 28, page 107, line 2, leave out “2A” and insert “13A”

*See Member's explanatory statement for amendment 27.*

Amendment 29, page 107, line 6, leave out “30A, 72A, 95A or 144A” and insert “249A”

*See Member's explanatory statement for amendment 27.*

Amendment 30, page 109, line 13, leave out “30A, 72A, 95A or 144A” and insert “249A” —(Mr Marcus Jones.)

*See Member's explanatory statement for amendment 27.*

**Mr Speaker:** Consideration completed. I will now suspend the House for about five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will be tabling the appropriate consent motions, copies of which will be available shortly in the Vote Office and will be distributed by Doorkeepers.

5.4 pm

*Sitting suspended.*

5.11 pm

*On resuming—*

**Mr Speaker:** I can now inform the House that I have completed certification of the Bill, as required by the Standing Order, and that I have made no change to the provisional certificate issued yesterday evening. Copies of my final certificate will be made available in the Vote Office and on the parliamentary website.

Under Standing Order No. 83M, consent motions are therefore required for the Bill to proceed. Copies of the motions are available in the Vote Office and on the parliamentary website, and they have been made available to Members in the Chamber. Does the Minister intend to move the consent motions?

**Brandon Lewis:** Yes.

**Bob Stewart** (Beckenham) (Con): Thank goodness.

**Mr Speaker:** I am always happy to hear the Minister's voice, but a nod suffices for the purpose.

Under Standing Order No. 83M(4), the House must forthwith resolve itself into the Legislative Grand Committee (England and Wales) and thereafter into the Legislative Grand Committee (England).

*The House forthwith resolved itself into the Legislative Grand Committee (England and Wales) (Standing Order No. 83M).*

[MRS ELEANOR LAING *in the Chair*]

5.13 pm

**The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing):** There will now be a joint debate on the consent motion for England and Wales and the consent motion for England. I remind hon. Members that, although all Members may speak in the debate, if there are Divisions only Members representing constituencies in England and Wales may vote on the consent motion for England and Wales, and only Members representing constituencies in England may vote on the consent motion for England.

I call the Minister to move the consent motion for England and Wales, and I remind him that, under Standing Order No. 83M(4), on moving the consent motion for England and Wales, he must also inform the Committee of the terms of the consent motion for England.

**Brandon Lewis:** I beg to move,

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

*Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and Wales and being within devolved legislative competence*

Clauses 97, 98 and 120 to 150 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 7 and 10 to 15 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

*Amendments certified under Standing Order No. 83L(4) as relating exclusively to England and Wales*

Amendments 180 and 181 made in Committee to Clause 71 of the Bill as introduced (Bill 75), which is Clause 76 of the Bill as amended in Committee (Bill 108);

Amendments 127 and 128 made in Committee to Clause 85 of the Bill as introduced (Bill 75), which is Clause 92 of the Bill as amended in Committee (Bill 108).

**The First Deputy Chairman:** With this we shall consider the consent motion to be moved in the Legislative Grand Committee (England):

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

*Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence*

Clauses 1 to 63, 65 to 77, 79 to 81, 83 to 85, 87 to 95 and 99 to 119 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 1 to 6, 8 and 9 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

New Clauses NC6, NC7, NC29 to NC31, NC35, NC37, NC43 to NC46, NC59, NC60 and NC62 on Report;

New Schedules NS1, NS4 and NS5 on Report;

*Amendments certified under Standing Order No. 83L(4) as relating exclusively to England*

The omission in Committee of Clauses 35 and 36 of the Bill as introduced (Bill 75);

Amendment 4 on Report, resulting in Clause 78 of the Bill as amended in Committee (Bill 108) being left out of the Bill;

Amendment 111 on Report, resulting in Clause 64 of the Bill as amended in Committee (Bill 108) being left out of the Bill;

Amendment 129 on Report, resulting in Clause 86 of the Bill as amended in Committee (Bill 108) being left out of the Bill.

**Brandon Lewis:** The importance of what we are doing in the Chamber today is shown by the fact that so many of my hon. Friends are here to see us delivering on a manifesto pledge. I am just sorry that Labour Members do not think it is so important to do what is right for our country and its constitution.

As you have outlined, Mrs Laing, I am also required under Standing Orders to inform the Committee that I intend to move a further consent motion relating to England at the end of this debate. I will, however, address both consent motions now.

I draw the Committee's attention to my written ministerial statement of 7 January, which informed the House that I had placed in the Library my Department's analysis of the application of Standing Order No. 83L in respect of Government amendments tabled on Report.

**Lady Hermon (North Down) (Ind):** Since so many of the clauses in the Bill have been designated as applying exclusively to England or, indeed, to England and Wales, will the Minister help the House—particularly Members who are excluded from the vote on the consent motion, if there is one—by stating what evidence he has that not a single person from Northern Ireland is a landlord in England and Wales and therefore that there is no particular Northern Ireland interest in the Bill?

**Brandon Lewis:** I will come on to that specific point in a few moments. I would, however, point out that the hon. Lady and other hon. Members were able to speak on Second Reading and on Report both last Tuesday—through to the early hours—and this afternoon, and that we touched on that very point.

I want to thank Mr Speaker for his careful consideration and certification of the Bill. I also pay tribute to the work of my hon. Friend the Deputy Leader of the House and of members of the Procedure Committee for getting us to this historic inaugural Legislative Grand Committee. I want to put on the record my thanks to the Clerks of the House for their, as ever, excellent service and advice to Mr Speaker and to my Department.

**John Redwood (Wokingham) (Con):** Many Conservative Members welcome some modest justice for England at last. We welcome the fact that at a time when Scotland is being given so many powers of self-government, we now have a small voice and a vote. May I encourage the Minister to go further and make sure that we have justice over money and over law making for England in order to have a happy Union?

**Brandon Lewis:** As ever, my right hon. Friend tempts me to go just a little beyond the Housing and Planning Bill, but I understand his point.

As we all know, the history of this House goes before us, so it is quite rare to see a true first. I am very proud to be the first Minister to stand at the Dispatch Box to address the very first Legislative Grand Committees for England and Wales and for England only.

As my right hon. Friend the Leader of the House noted when he opened the debate on Standing Order No. 83L back in October, the process we will now follow has created

“fairer Parliaments and fairer Assemblies”,

giving, as my right hon. Friend the Member for Wokingham (John Redwood) has just mentioned,

“the English a strong voice on English matters without...excluding MPs from other parts of the United Kingdom from participation in this House.”—[*Official Report*, 22 October 2015; Vol. 600, c. 1175.]

The purpose of the Legislative Grand Committee is to allow English and Welsh MPs either to consent to or to veto the clauses of and the amendments made to the Bill. I will not detail the territorial extent of each clause and amendment, but I again draw right hon. and hon. Members' attention to my written ministerial statement of 7 January.

When we discussed the principle of English votes for English laws in the House, we heard fears that it would or could create a class system within the Chamber. As the first Minister to lead a Bill through this process, I am happy to report that that has not been my experience. The debates in the Public Bill Committee and on Report clearly demonstrate that the majority of Members of Parliament support the measures in the Bill. For example, although we did not have the pleasure of their company in the Public Bill Committee, the hon. Members for Kilmarnock and Loudoun (Alan Brown) and for Glasgow Central (Alison Thewliss) ensured that constituents in Scotland were represented during our debate both on Second Reading and on Report. As well as the hon. Lady's questions about the territorial extent of our new duty on public sector organisations to dispose of land, we have also discussed the implications of landlords or housing associations who may have properties in the devolved Administrations, as well as in England.

My Department is responsible for local authorities, communities and housing associations in England. In many ways, we are the Department for England. It is therefore fitting that the majority of the clauses in Mr Speaker's certification before this very first Committee relate to England only. However, thanks to Members on both sides of the Chamber, I am satisfied that the House has considered the Bill's implications for the whole of our United Kingdom.

**David T. C. Davies (Monmouth) (Con):** My hon. Friend has pointed out that the Bill relates to England only. May I put it on the record that it is absolutely right that only English MPs should vote for it? As one of those who will be excluded, I applaud the English MPs who have decided that their constituents should not have their legislation affected by people coming from Wales, Scotland or elsewhere in the United Kingdom.

**Brandon Lewis:** My hon. Friend makes a good point that relates to the consent motion on English-only matters. Obviously, some parts of the Bill cover Wales as well and we will deal with those separately this afternoon.

My noble Friend Baroness Williams of Trafford will continue to ensure that any cross border issues are carefully considered in the other place.

This is an historic Bill in many ways. It will put homeownership within the grasp of generations that have only dreamed for many years that it could be possible. It will deliver a planning system that is the envy of the world. It will get Britain building again. By being the first Bill to go through this procedure, it goes further. I am proud of the steps that this elected Government are taking through this Bill to deliver our manifesto commitments.

**Clive Efford:** Will the hon. Gentleman confirm that the removal of secure tenancies from council tenants was not in the Conservative manifesto and that the Government have no mandate to introduce that abolition? Council tenants were not warned by the Conservatives that they would impose this on them.

**Brandon Lewis:** We had that debate in Committee and earlier today on Report. The hon. Gentleman should look carefully at the Bill because it does deliver our manifesto commitments. It will deliver homeownership to a whole new generation of people by bringing forward starter homes and it will extend homeownership to 1.3 million people who have been locked out of it. His party has fought to prevent both proposals at every opportunity, and disgracefully so.

**Clive Efford** *rose*—

**Brandon Lewis:** I will not take any more interventions on the Bill. This is about English votes for English laws.

I am proud of the steps the Government have taken to bring fairness to the devolution settlement. In that spirit, I ask this inaugural Legislative Grand Committee to consent to the certified clauses and schedules of the Housing and Planning Bill and the certified amendments made by the House to the Bill.

**The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing):** I call John Healey.

**John Healey** (Wentworth and Dearne) (Lab): No, I do not want to speak.

**The First Deputy Chairman:** I do not call John Healey. I beg the right hon. Gentleman's pardon. I call Pete Wishart.

**Pete Wishart** (Perth and North Perthshire) (SNP): I am grateful, Mrs Laing.

So, this is what an English Parliament looks like. It looks pretty much like the unitary UK Parliament to me. This is a remarkable day. It is worth noting how significant and historic this is. For the first time in the history of this House and this Parliament, Members of Parliament will be banned from participating in Divisions of this House, based on nationality and the geographic location of their constituencies.

**Alberto Costa** (South Leicestershire) (Con): The hon. Gentleman's constituents in Perth and North Perthshire, who may well have voted for him, surely see this as a very fair motion to safeguard the United Kingdom by having a fair devolution settlement.

**Pete Wishart:** The hon. Gentleman tempts me. I will say a couple of things to him. First, I was elected on the same basis as him. My constituents expect me to participate in all debates and all legislation in this House. I am now denied that opportunity. Secondly, if he thinks that going down such a route as this, whereby Scottish Members of Parliament are banned from voting on certain issues that are considered English only, will save his Union, he has another think coming. Nothing has infuriated the Scottish people more than the measures on English votes for English laws.

**John Redwood** *rose*—

**Pete Wishart:** How can I resist the right hon. Gentleman?

**John Redwood:** If the hon. Gentleman is such a passionate believer in our settling everything together, why am I not even allowed to express a view, let alone vote, on local government, health and education in his constituency?

**Pete Wishart:** The right hon. Gentleman just does not understand, so I will try to explain it to him patiently once again. We live in the United Kingdom. There is asymmetric devolution within the United Kingdom. We have a Parliament in Scotland that determines and decides the very issues—*[Interruption.]*

**The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing):** Order. The hon. Gentleman is a Member of this House and has a right to be heard. He will be heard.

**Pete Wishart:** I did not know whether I was a Member of this House or an international observer, but I will take the initial one as your favour—thank you, Mrs Laing.

Let me say to the right hon. Member for Wokingham (John Redwood) that we have a Parliament in Scotland that determines and decides on these matters—he is right; we do that in Scotland. We do those things in this House too, but what he wants, and what has been created today, is a quasi-English Parliament within the confines of the unitary Parliament of the United Kingdom and Northern Ireland. That is the nub of the issue, and that is why this first meeting today is so significant and remarkable.

**Iain Stewart** (Milton Keynes South) (Con): May I remind the hon. Gentleman that what we have before us is a consent mechanism for Members from England, or England and Wales, to agree to measures that apply only to us? On Third Reading, if the hon. Gentleman fundamentally disagrees with something in the Bill, he will have a vote to vote against it.

**Pete Wishart:** Let me tell the hon. Gentleman what it feels like to us. What it feels like to me, and to my right hon. and hon. Friends, is that we are on the wrong side of a banishment and a bar that denies us our right as legitimately elected Members of Parliament from participating fully in the House today. That is what is being done; that is the key point, which people still fail to grasp. What has been done with this Legislative Grand Committee is the creation of two types of Member of Parliament of this House. That is the issue that we object to and find so difficult.

**Simon Hoare** (North Dorset) (Con): While Conservative Members find their handkerchiefs to mop their tears, will the hon. Gentleman say why, if he and his party feel so passionately about this Bill, there were no votes from SNP Members on Second Reading or Report?

**Pete Wishart:** We have no great interest in this Bill. *[Interruption.]* I do not know why that comes as a surprise to the hon. Gentleman. Let me say it again, in case he missed it: we have no great interest in this Bill. He is right to say that we did not vote on Second Reading or any of the proceedings that we were allowed to

[*Pete Wishart*]

participate in, because we respect the right of English Members of Parliament to determine issues on that basis—of course that is their right.

**Simon Hoare** *rose*—

**Pete Wishart:** I am not giving way again—I am answering the hon. Gentleman's point.

That is why we took no interest and stayed away on those Divisions. However, the creation of this Legislative Grand Committee—again, I am astounded that Conservative Members do not understand this—has created two classes of Members of Parliament of this House. One class is able to participate in every Division in this House, as we are about to see, while other Members of Parliament, such as my hon. Friends on the Benches behind me, are not able to participate in all parts of the Bill. That is what hon. Members have done.

**Several hon. Members** *rose*—

**Pete Wishart:** Far too many Members wish to intervene, so I will say no to them all.

Even if I wanted a say in this Bill, I would be barred from doing so. I am not allowed to vote on this. I am not even allowed to call a Division, and if I attempted to do so, you would quite rightly rule me out of order, Mrs Laing, according to the standards of the House. If I were to vote in the Division I have no idea what would happen. I presume that the Serjeant at Arms would come chasing after me with his little sword, telling me that I cannot participate in this vote, and he would chase me out. That is what he should do; that is what his job would be.

**Dr Sarah Wollaston** (Totnes) (Con) *rose*—

**Pete Wishart:** I will give way to the hon. Lady, because I like her.

5.30 pm

**Dr Wollaston:** I thank the hon. Gentleman for giving way. He will know I have a great deal of respect for him. He talks about how this feels for him and his colleagues. How it feels for my constituents in south Devon is that an historic injustice has been righted. I put it to him that they feel they have been under-represented, and that we care about our constituents in this House, not ourselves.

**Pete Wishart:** Here is something for the hon. Lady, for whom I have a great deal of respect, to consider: how about if we all retain equality in the House of Commons? How about we retain the same rights and privileges, just as we did just a few short weeks ago? The hon. Lady and all her hon. Friends obviously feel very strongly about this. I understand the passion of English Members of Parliament on this issue. How about they create a Parliament? How about designing a Parliament in their own image, where they can look after these issues like we do in the Scottish Parliament? Why do not they not have a Parliament, one that does not necessarily sit in this House but in one of the other great cities throughout the United Kingdom, where democracy could be seen in action? How about that as a solution? We could then come back together to this House as

equal Members and consider the great reserved issues of foreign affairs, defence and international relations. That is how most other nations do it. It is called federalism and it seems to work quite adequately in most other nations.

What Conservative Members have done today is create this absolute mess—a bourach, a guddle. Nobody even understands how it works! We have just rung the Division bells to suspend proceedings, so that the Speaker can scurry off and consult the Clerks to decide whether it is necessary to recertify certain pieces of proposed legislation. This is what has happened to the business of this great Parliament. This is what we have resorted to today.

**Mr Jacob Rees-Mogg** (North East Somerset) (Con) *rose*—

**Pete Wishart:** I will give way to the hon. Gentleman, who I also like very much.

**Mr Rees-Mogg:** I am very grateful to the hon. Gentleman for giving way, but I think he has actually got it fundamentally wrong. Two tiers of Members of Parliament have not been created by the mechanism that has been used. By using Standing Orders, which can be changed by all Members of Parliament, and by this being a Grand Committee—we see where the Mace is—and not the House sitting in full session, the rights of every individual Member remain intact. That is crucially important.

**Pete Wishart:** In all candour, I have to say that that is not what it feels like on this side of the House. If a Division is called, the hon. Gentleman will be able to vote and express his view as a legitimately elected Member of Parliament. My hon. Friends and I, as equally legitimate Members of Parliament recently elected at the general election, will not be allowed to vote. We will be banned. We will be barred. We will be effectively banished from that process.

**Mrs Main:** Does the hon. Gentleman really expect taxpayers to pay for another Parliament just because his feelings are somehow being assaulted? I do not how he could explain that extra layer of bureaucracy and cost to the British taxpayer, but maybe spending other people's money is how they like to do things in Scotland.

**Pete Wishart:** I do not know whether I am grateful or not to the hon. Lady for her intervention. I think she is saying that she wants great dollops of cake so she can spend her time eating it and having a singularly English Parliament. Let us just use the House of Commons to accommodate that. The thing that has been created here is a quasi-English Parliament, but this Parliament belongs to me as much as to her. It belongs to the Scottish people as much as to the English people. What has happened today with the Legislative Grand Committee is that she will be able to represent her constituents in all Divisions, but my hon. Friends and I will not.

**Graham Stuart** (Beverley and Holderness) (Con): I think what the House will take from the hon. Gentleman's animated, passionate and, as ever, fluent speech is the fact that he is furious about a typically British evolution in the system of government that blocks his most devout desire, which is, of course, separation for Scotland.

This system makes it fair in England. It deals with that grievance and means that his hope for independence disappears. That is why he is so angry.

**Pete Wishart:** As with so many things, the hon. Gentleman is half right. This has been noted in Scotland. A lot of people are observing this and seeing this Parliament becoming, in effect, an English Parliament. They are seeing the voices of their Members of Parliament, so recently elected, diminished in this House. They will not be able to speak or vote in particular circumstances.

Throughout the debate on EVEL, the Leader of the House gave the impression that these votes would be subject to a double majority—that the whole House would express its will and then there would be a vote for English Members, which would effectively be their veto—but that has not happened. Instead, there has been a banishment. That is the brutal reality of EVEL. This is what happens when we start mucking about with the Standing Orders and our membership arrangements. We are left with some Members who can do anything—participate and vote on any issue—and others who cannot. It is totally unsatisfactory.

We have wasted God knows how much time discussing these issues today. It has made such a mess of parliamentary proceedings and added extra elements to the functions of an already hard-working House when considering Bills. It is a total mess.

**Sir Gerald Howarth (Aldershot) (Con):** The hon. Gentleman has already told the House that the Scottish nationalist party—[HON. MEMBERS: “National!”]—that the Scottish National party has no interest in this measure, which in no way applies to Scotland, and therefore will not vote on it. What is his problem? SNP Members have every right to speak, and we have redressed an injustice. For years, Conservative Members felt like second-class citizens, unable to vote on health and education matters in Scotland, while they have been able to vote on matters solely to do with England. Would the SNP have voted on the measure to bring hunting regulations in England and Wales into line with those in Scotland?

**Pete Wishart:** I say this in all candour to the hon. Gentleman, whom I very much respect: we hear much from our English colleagues about their deeply held views on EVEL. He is a fine exponent of this perceived injustice: “How dare these Scots oppress English Members”—they only make up about 85% of the House!—“by coming down here and stealing our votes and having a say in our legislation?” With this Conservative majority, 88%, I think, of the House is English-only, yet we are the reason they cannot get their way. It is a ridiculous argument.

I do not want to take up any more time—[HON. MEMBERS: “Hear, hear!”] I can if Members would like—but we will return to these issues in the future. This is not concluded. I have heard several English Members say they are doing this to save the Union. I add a word of caution to my friends representing English constituencies: in establishing this Committee and pursuing the issue in this way, they are driving Scotland out of the door. That is how it is seen in Scotland. During the referendum campaign, as you will remember Madam Deputy Speaker, we were told: “Stay with us, Scotland. Scotland, we love you.” But the minute we park our backsides on these green Benches, we are diminished in status and not allowed a say in all matters.

**Mr David Winnick (Walsall North) (Lab):** As someone proud to represent an English constituency, I feel—I do not know if my Labour colleagues feel the same—that the Tories are making precisely the same mistake as their predecessors did over Ireland. The way to proceed is for Scottish and Welsh Members to show self-restraint in deciding whether to vote on an issue. To have first and second-class Members does a disservice to the Union. I deplore what is being done.

**Pete Wishart:** I am very grateful to the hon. Gentleman. I knew his would be one of the quality interventions of the debate. He is absolutely right. The only thing I would say to him is this: where on earth is his Front-Bench team? They are not even prepared to make a speech or statement. Why are they not participating? Labour Members used to be stalwarts of this debate. I remember when we had 50-odd Labour Members for Scotland. They would have been making a fuss and standing up for Scotland’s interests, yet today there is absolute silence from the Labour Benches.

**Ian Murray (Edinburgh South) (Lab):** I am delighted the hon. Gentleman has given way, because no SNP Members have participated in the Bill proceedings. We agree that this process is a complete charade, but while I was voting at 2.45 am last week on behalf of my constituents, he was in his bed.

**Pete Wishart:** Maybe. It is with great fascination that we hear from the one and only Scottish Labour Member of Parliament. Perhaps the reason the hon. Gentleman is in such a diminished position is the Labour party’s silence on these issues. The fact that Labour Members have ignored them all the way through speaks volumes about the attitude of the Labour party. I do not know whether it is due to the particular chaos it is going through, but we need to hear from Labour Members to find out their view about what has happened.

**Alison Thewliss (Glasgow Central) (SNP):** Speaking as someone who was here in the wee small hours, I can say that Labour Members were notable for their absence, being far too busy clawing their own eyes out at the time. It is a bit of a cheek for them to seek to lecture us here.

**Pete Wishart:** I am grateful to my hon. Friend for reminding us that that was the night of the long reshuffle, so I suppose we should be grateful that any Labour Members were there. I do not wish to take up any more time.

**Lady Hermon:** I am grateful to the hon. Gentleman for allowing me to intervene. Since the Front Benches have boasted—and it was a boast—that this is an historic occasion, it would help if the occasion was not flawed. To take but one example, new clause 62 is designated as applying exclusively to England. Will the Minister quickly turn to it before we proceed in order to establish whether it applies only to England, because given that it appears in the new clause, I think the word “Wales” applies to it?

**Pete Wishart:** The hon. Lady has made a creative intervention to put her point directly to the Minister, and I think it deserves a response. All I can say to her from the SNP perspective is that we are going to see lots

[Pete Wishart]

more issues like that. Confining the EVEL rulings to a Grand Committee means that no consequential issues can be considered by the Speaker in making his certifications. That means that many massive issues will impact on my constituents down the line, but I will not be able to represent them in those matters.

If Conservative Members think they have won and believe that this will not have anything other than a totally detrimental impact on the fortunes of the Conservative party in Scotland, they need to have another think about it. This is unworkable; this is ungovernable; this is a mess; this is unfair. This creates two classes of Members in this House, which is totally unacceptable to my hon. Friends and the Scottish National party.

**John Redwood:** I rise to thank Ministers for taking England on its first step on the journey to justice and fairness for our country. Having participated in recent Parliaments and seen very large powers transferred to Scotland for self-government in accordance with the wishes of many Scottish people and their now vocal representatives from the SNP, I would have thought that on this day of all days it was time for Scotland to say, “We welcome some justice for England to create a happier Union, just as we have fought so strongly for so long for more independence for Scotland.” I hope that SNP Members will reconsider and understand that just as in a happy Union, where there are substantial devolved powers of self-government for Scotland that they have chosen to exercise through an independent Parliament, so there needs to be some independent right of voice, vote and judgment for the people of England, which we choose to do through the United Kingdom Parliament because we think we can do both jobs and do not wish to burden people with more expense and more bureaucracy.

On this day of all days, when Labour has been reduced to a party of England and Wales, having been almost eliminated from Scotland in this Parliament, I would have thought that the Front-Bench—[*Interruption.*] Our party is speaking for England. The point I am making is that now that the Labour party represents parts of England and Wales but has so little representation in Scotland, it behaves Labour Members to listen to their English voters and to understand that although they might not want justice for England, their voters do want it and are fully behind what this Government are doing.

**Graham Stuart:** I congratulate my right hon. Friend on the work that he has done for many years in championing the need for EVEL to be introduced. Does he agree that, given that they completely failed to persuade the Scottish people to end the Union, the greatest hope of the nationalists was that such would be the grievance and resentment in England that Scotland could be pushed out? Does he agree that this modest step is a way of alleviating that grievance, and that that is why the hon. Member for Perth and North Perthshire (Pete Wishart) was quite so angry?

5.45 pm

**John Redwood:** I entirely agree. We need fairness for England, in respect of the new financial settlement as well as our legislative procedures, but the way to preserve

and develop the Union is to show that it is fair to all parts. I am sure that that will mean greater powers of independence for Scotland than we will gain for England, but we cannot ignore England. England deserves a voice, England deserves its votes, and England deserves, at the very least, the right to veto proposals that do not suit England but only affect England. I think that we shall need fair finances as well, because otherwise the English people will not be as happy with their Union as we should like them to be.

I hope that today is a day on which to advance the cause of the Union rather than to damage it. I hope that it is a day on which other Scots will welcome this small step on the road to justice for England, and will see that it helps them as well as us. What is wrong with England having a voice, its own political views, and some of its own political decision-making, in a Union in which Scotland took a great deal of that following the general election? In that election, all the main parties fought on the united proposition that there should be more rights to self-government for Scotland, but my party wisely said that that meant that there had to be some justice for England too. This is a small step towards that justice, and I hope the House will welcome it and not oppose it.

**John Healey:** We had intended simply to leave the Government to deal with the mess of their own making in this debate; and this debate is about the Housing and Planning Bill. With respect to the right hon. Member for Wokingham (John Redwood), it is not about the Union, or about justice for a part of the Union. This is, quite simply, a motion and a debate about the Housing and Planning Bill.

The rather ridiculous proceedings that we have seen this afternoon, and the over-excitement, underline the flaws in rushing reform of the House without proper consideration, without proper consultation and without proper cross-party agreement. We want, and recognise the need for, a stronger voice for England in this Parliament, but we have always said “a voice, not a veto”, and this Legislative Grand Committee constitutes a veto simply for those Members who are eligible. That should not be happening in this way, in a unified Parliament of the United Kingdom.

**Simon Hoare:** The hon. Gentleman appears to have neglected the apposite point that was made by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) and reiterated throughout the Procedure Committee’s discussion of this proposal, namely that it meant a change in Standing Orders on an almost “suck it and see” basis, so that we could see how it would work out. The great totemic change in the rules of the House that is supposed to have taken place does not exist, in statute or anywhere else. If we need to tweak this, we can, because it is only a change in Standing Orders.

**John Healey:** Standing Orders can always be altered, particularly by Governments, but by doing it unilaterally the Government have, on this occasion, created an extremely unsatisfactory procedure, as this afternoon’s debates have amply demonstrated.

Let me say something to the Scottish nationalists. I have not seen, none of my colleagues have seen, and the House has not seen them present in such numbers in



debates on the Housing and Planning Bill, and at no stage—not on Second Reading, in Committee or on Report—have we seen them vote on the Bill. The hon. Member for Perth and North Perthshire (Pete Wishart) said this afternoon, “We have little interest in this Bill”, and he was right, because so little of the Bill concerns Scotland. He and his party would do much better to concentrate on his own poor record in government, and on improving what the SNP Government are doing about housing in Scotland. There are 150,000 people on the council house waiting list in Scotland and there is the lowest level of house building in Scotland since 1947. This debate—these proceedings—is simply preventing us from getting on with the proper job of holding this Government to task on the Housing and Planning Bill in this Chamber, and I hope we can move on to Third Reading without any further delay.

**The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing):** I remind hon. Members—although I do not think hon. Members really need to be reminded—that if there is a Division on the consent motion for England and Wales, only Members representing constituencies in England and Wales may vote. This extends to expressing an opinion by calling out Aye or No when the Question is put or acting as a Teller—I know the hon. Member for Perth and North Perthshire (Pete Wishart) knows that I recognise a Scottish voice when I hear one.

*Question put and agreed to.*

*Resolved,*

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

*Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and Wales and being within devolved legislative competence*

Clauses 97, 98 and 120 to 150 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 7 and 10 to 15 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

*Amendments certified under Standing Order No. 83L(4) as relating exclusively to England and Wales*

Amendments 180 and 181 made in Committee to Clause 71 of the Bill as introduced (Bill 75), which is Clause 76 of the Bill as amended in Committee (Bill 108);

Amendments 127 and 128 made in Committee to Clause 85 of the Bill as introduced (Bill 75), which is Clause 92 of the Bill as amended in Committee (Bill 108).

**Lady Hermon:** On a point of order, Madam Chairman. On a serious point of order, I am very conflicted because I do not want in any way to be critical of the Speaker and his certification, but the Speaker clearly today confirmed his provisional certification and that included reference to new clause 62 as being exclusively applicable to England. New clause 62 applies to both England and Wales. What could the Deputy Chairman advise when a certification by the Speaker—for whom I have enormous regard—appears to be flawed?

**The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing):** The hon. Lady makes a perfectly reasonable point, and it is important that we consider points of order because this is a new procedure and the Procedure Committee has assured the House that it will be looking at the procedure and how it works in practice.

What I can say to the hon. Lady is that Mr Speaker did make available in the Vote Office, and in other ways, several days ago his provisional decision on this matter, and there have been several days during which the hon. Lady, and indeed any other hon. Member, had an opportunity to make representations to Mr Speaker exactly along the lines that she has just done. Perhaps if this happens in future and the hon. Lady has similar concerns, she will have ample opportunity to take those concerns up with Mr Speaker before we get to this point in the proceedings.

**Lady Hermon:** Further to that point of order, Madam Chairman. I do apologise for not bringing this to the Speaker’s attention earlier, but I am bringing it to the House’s attention today. I would hate to think there might be any consequences because flawed procedure has been followed in this case. It is a very important point. Members are going to be asked to go through the Division Lobby—apart from those of us from Northern Ireland, about which I feel exceedingly resentful, as I think it is quite wrong; and I do have an interest in this Bill because my constituents who are landlords are affected by it. So today I would like Madam Chairman to give advice as to whether we should pause and postpone this historic occasion until we get the certification corrected by the Speaker.

**The First Deputy Chairman:** No, again the hon. Lady is making a perfectly reasonable point, but I think I have already answered it. The fact is that the House took the decision on 22 October that we would proceed as we are proceeding today. As I have said to the hon. Lady, if she has concerns about how matters work in practice both the Procedure Committee will look at this as the weeks go on and Mr Speaker will be pleased to hear from the hon. Lady if she has concerns the next time we come to this point in the proceedings. But now we will proceed.

*The House forthwith resolved itself into the Legislative Grand Committee (England) (Standing Order No. 83M(4)(d)).*

**The First Deputy Chairman:** I remind hon. Members that no further debate on the consent motion for England is permitted, and that if there is a Division on the consent motion for England, only Members representing constituencies in England may vote. This extends to expressing an opinion by calling out Aye or No when the Question is put.

*Motion made, and Question put forthwith (Standing Order No. 83M(4)(d)),*

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

*Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence*

Clauses 1 to 63, 65 to 77, 79 to 81, 83 to 85, 87 to 95 and 99 to 119 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 1 to 6, 8 and 9 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

New Clauses NC6, NC7, NC29 to NC31, NC35, NC37, NC43 to NC46, NC59, NC60 and NC62 on Report;

New Schedules NS1, NS4 and NS5 on Report;

*Amendments certified under Standing Order No. 83L(4) as relating exclusively to England*

The omission in Committee of Clauses 35 and 36 of the Bill as introduced (Bill 75);

Amendment 4 on Report, resulting in Clause 78 of the Bill as amended in Committee (Bill 108) being left out of the Bill;

Amendment 111 on Report, resulting in Clause 64 of the Bill as amended in Committee (Bill 108) being left out of the Bill;

Amendment 129 on Report, resulting in Clause 86 of the Bill as amended in Committee (Bill 108) being left out of the Bill.—  
(*Brandon Lewis.*)

*Question agreed to.*

*The occupant of the Chair left the Chair to report the decisions of the Committees (Standing Order No. 83M(6)).*

*The Deputy Speaker resumed the Chair; decisions reported.*

*Third Reading*

5.56 pm

**The Secretary of State for Communities and Local Government (Greg Clark):** I beg to move, That the Bill be now read the Third time.

It is customary on these occasions to thank all those involved in the consideration and scrutiny of the Bill in question. On this occasion, I would like to pay particular tribute to the Minister for Housing and Planning for having moved so elegantly that historic motion for the first time in this House. I also commend the Leader of the House of Commons for giving us the opportunity to carry out our consideration of the Bill in this way. Throughout our proceedings, the debate has been rich and vigorous from beginning to end. Those of us who were here last week for the first day of its Report stage will know that there was no let-up in the passion—or indeed the number—of the contributions, despite the lateness of the hour.

Before embarking on the traditional congratulations, however, I suggest to the whole House that a degree of humility would be in order on the part of us all. Housing and planning policy has been debated in this House and in the other place for decades, yet for decades this country has not built the number of new homes that we need, despite the improvements of recent years, including the 50% increase in new housing starts and the fact that planning permissions now stand at more than 200,000 a year. The last time we consistently built 200,000 homes a year was back in 1988.

**Clive Efford:** May I take the Secretary of State back to his comment about humility? Will he take this opportunity to apologise to council tenants for not informing them at the general election of the Conservatives' intention to take away their secure tenancies and for introducing that measure only towards the end of the Bill's Report stage? Council tenants were not given that information before they went to vote in the general election.

**Greg Clark:** Going back to 2010, the Prime Minister thought it was reasonable that when we were allocating homes and social tenancies, we should amend the idea that someone should inherit, without conditions, a tenancy. That business was notified as much as five years ago.

Evidence of the effects, over many Administrations, of not building the number of homes we have needed for many decades has been seen in the lives of those who could, should and want to be homeowners, but have been denied the opportunity that many of us have

had. Those who say that we already build enough homes or that home ownership is not important would do well to remember that.

**Mrs Maria Miller (Basingstoke) (Con):** I applaud the Secretary of State's commitment to house building, to make sure that more of our constituents can be homeowners. I also applaud the Minister for Housing and Planning's undertaking to look further at the quality of that house building in the response he made to my new clause 1 in the initial parts of our debate on Report.

**Greg Clark:** My right hon. Friend is absolutely right in what she says, and she has made an important contribution to the proceedings. It is vital that we see an improvement in the quality of design of our housing stock. One feature of the last housing bubble that was experienced before the Government came into office was a dearth of new family homes. Instead, most of the increase in housing that came during that time was in the form of flats. That arose from the particular incentive structure in place, whereby units, rather than any suggestion of quality, were important. The points she made have been well noted; in fact, in some of the announcements the Prime Minister made in recent days we have stressed the importance, in regenerating our estates, of adhering to standards of the highest quality.

**Andy Slaughter:** It is no surprise to hear that the Secretary of State wants to move away from talking about council tenancies, because his treatment of them is a disgrace. He was not asked about inheriting succession rights; he was asked about security. Why can council tenants not continue, as happened under the Housing Act 1985, introduced by Margaret Thatcher, to have security in the same way that anybody else would want in their home? The situation is appalling. Why is he only building starter homes, which nobody can afford, in Old Oak in my constituency, instead of social homes, which people need and want?

**Greg Clark:** The hon. Gentleman is completely wrong, and if he looked at our housing plans, he would see that they include building 100,000 houses for affordable rent as well as 200,000 starter homes. It is right, and it is the mandate on which this Government were elected, to provide homes for people who aspire to own their own home, as well as for those who want to rent. One failure during recent years has been that people who wanted to own their own home, in the way that many Members of this House have, have been denied that opportunity.

**Mr Bacon:** Does the Secretary of State agree that the hon. Member for Hammersmith (Andy Slaughter) is wrong not only because this Government are allowing the building of more affordable homes, but because this Bill provides for self-build and custom house building on a larger scale than ever before—and this can also include social housing for rent?

**Greg Clark:** My hon. Friend is absolutely right: we need homes provided right across the country, of all the different types and tenures that our constituents and residents want. There has been a dearth of affordable homes for first-time buyers for an increasing number of years, which is why the commitment in our manifesto to

provide starter homes for first-time buyers is such an important part of our platform, which we are implementing with this Bill.

**Graham Stuart:** Does my right hon. Friend agree that the most important single thing we can do is to get building, because it is only by supply outdoing demand that prices will come down, and that all the programmes we had in the Labour years, from key worker housing to all the rest of it, were band aids on a massive wound? It is building that we need. That is what will make housing more affordable and that is how we are going to deliver a true one nation Government.

**Greg Clark:** My hon. Friend is right to say that we need to get Britain building again, and we are doing so, with a 25% increase in starts in the past year. We need to do this right across the country. I would have thought that all Members of the House, including Labour Members, shared in the warm welcome given across the housing sector, including by housing associations and by builders big and small, to the announcements the Chancellor made in the spending review, which double the housing budget. This is the biggest programme of affordable house building that we have seen since the 1970s.

**Andrew Gwynne:** Of course, what is affordable to the Secretary of State's constituents might not be affordable to mine. Does he share my concerns that what we will see, as perhaps an unintended consequence of his measures, is the removal of properties from the social rented sector and their appearance in the private rented sector, costing more to the public purse in the long run?

**Greg Clark:** No, we want to see more homes of all types. We have committed to build 1 million homes over the next five years, which the previous Labour Government signally failed to do. In fact, when they were in power, the number of homes that were built in a single year fell to 88,000, which was the lowest number since the 1920s.

**Graham Jones (Hyndburn) (Lab):** At the weekend, the Prime Minister said on the "Andrew Marr Show" that he expected a million properties to move from the social rented sector to private ownership. The Secretary of State is talking about building a million properties. Where are the extra social rentals coming from? It seems that the Prime Minister is saying not only that there will not be any extra, but that there will actually be a reduced number of social rented properties. Does he not see that the maths do not add up?

**Greg Clark:** The reduction in social rented properties happened under the previous Labour Government, when the stock fell by 400,000. Our determination is to build more homes of all types, so that we can house the growing number of young people who want to own and rent homes of their own.

**Mr Prisk:** On council houses, is not the real scandal that, in 13 years, the previous Labour Government failed to build the number of homes that we built in five?

**Greg Clark:** My hon. Friend is absolutely right. As Housing Minister, he made a major contribution to the revival in house building that was necessary after the crash that took place under the previous Labour Government. We have seen, over the past five years, house building recover from the record lows of the previous decade, but, as this Bill makes clear, these are the first steps away from a much longer record over successive Parliaments. Indeed, the connection between supply, affordability and ownership is obvious to all, and yet for decades successive Parliaments and Governments failed to find a lasting solution not because they did nothing, but often because they failed to tackle the underlying issues.

In the previous Parliament, the Government's focus was on recovery from the worst housing crash since the second world war, but in this Parliament, our focus has shifted from rescue to reform. Though wide-ranging in scope, the Bill does not represent the entirety of what needs to be done. As the Chancellor made clear in the autumn statement and as the Prime Minister said last week, the Government are committed to a comprehensive and ongoing programme of reform, addressing the whole of the problem and not just part of it. This Bill is of central importance to the overall strategy.

**Anna Turley (Redcar) (Lab/Co-op):** I appreciate the Secretary of State kindly giving way. He talked about the previous Labour Government's record, but could he explain why funding for affordable homes was slashed by 60% when his Government came to power in 2010?

**Greg Clark:** The record of the previous Government is very clear: we built more affordable homes, specifically more council houses, than the previous Labour Government did in 13 years, so we will take no lessons from the hon. Lady.

**Tristram Hunt (Stoke-on-Trent Central) (Lab):** Will the Secretary of State confirm at the Dispatch Box that, under this Bill, there is no block to foreign buyers purchasing council housing built for British people down the generations? As a result, we will see the sell-off to foreign investors of properties that were built for workers in this country.

**Greg Clark:** The hon. Gentleman might not be aware that restrictions are in place that prevent, for a considerable period, homeowners who have exercised the right to buy selling on. In fact, foreign ownership of UK property is still at a very low level. I do not recall the previous Labour Government introducing any particular restrictions on that. Let me point to two flagship manifesto commitments that the Bill implements, namely the extension of the right to buy to housing association tenants and the provision of 200,000 starter homes by 2020. The Bill is making good the pledges that were made directly to the British people and that were backed by the British people in the general election.

**Catherine West:** That particular element of the Secretary of State's scheme does not work in high-value areas where people, because of the sort of work that they do, will never ever be able to get a mortgage. Therefore, there are certain people who will never be helped by his Bill.

**Greg Clark:** I hope that, on behalf of her constituents, the hon. Lady will welcome the announcements that were made to extend the Help to Buy scheme in London to provide greater help there. In fact, housing associations, including those in her constituency, have welcomed enthusiastically one of the key features of this Bill, which is the provision that enables them to provide her residents with the right to buy their home and, at the same time, to build more homes in London.

**Robert Neill:** On that point, does my right hon. Friend recognise that it is thanks to this Bill, the work of the current Mayor of London and the initiative of my hon. Friend the Member for Richmond Park (Zac Goldsmith) that we are seeing consistently more affordable housing being delivered in London? That is in contrast with what happened under a socialist Mayor and a socialist Government that persistently under-delivered for London.

**Greg Clark:** Indeed, and one of the proud pieces of the legacy of the current Mayor of London, our hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson), is the opportunities he has given across the capital for people to own and rent their own home.

Of course, there are few pieces of legislation that cannot be improved by the deliberations of this House. This is a long Bill and I thank Members on both sides of the House for their informed contributions, their attention to detail and, on occasion, their perseverance. That applies especially to the members of the Public Bill Committee, adroitly chaired by my hon. Friend the Member for North Wiltshire (Mr Gray) and the hon. Member for Mansfield (Sir Alan Meale). I am also grateful for the expert guidance of my departmental officials and to the Clerks of the House.

Finally, allow me to thank my own formidable Front-Bench team, who conducted this Bill through all its proceedings with precision and tenacity and who have strengthened an already important Bill. In the same spirit, allow me to acknowledge the contributions of Opposition Members who served long into the night not just on Report but in the Bill Committee. In contrast to the Cities and Local Government Devolution Bill, which I am informed has completed its passage unamended in the House of Lords this very afternoon, we might not have greatly expanded the common ground between us during our deliberations on this Bill, but I thank the Opposition for their contributions to a debate that has at times generated light as well as heat.

I join my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) in recognising the notable contribution of my hon. Friend the Member for Richmond Park (Zac Goldsmith). London is a city like no other and it has a property market to match. In view of the special challenges and opportunities, it is right that proceeds from the sale of vacant high-value assets should be used to provide new affordable homes in London on a two-for-one basis. I am delighted that the Bill has been amended fully to support that objective, and I am grateful to my hon. Friend the Member for Richmond Park for his advice and advocacy in this matter. London is fortunate to have such a tireless and effective champion.

Of course, it is not only Members of this House who have contributed to the development of the Bill. I would like to put on record my gratitude to all those

beyond this Chamber who have made their mark. That includes local government leaders of all parties, experts in planning policy, tenants' representatives and the housing sector in all its diversity. Indeed, nothing has made a greater contribution to the development of the Bill than the historic deal agreed last year between the Government and the housing association movement. The voluntary agreement on right to buy not only speeds up the delivery of a commitment made to the British people at the election, but provides the basis on which housing associations can play a major role in the delivery of new affordable homes for both rent and purchase. I would therefore like to express my particular thanks to the National Housing Federation and its chief executive, David Orr.

The Bill has been the subject of intensive scrutiny and debate, with more than 40 hours in Committee and a further 15 on the Floor of the House. Furthermore, it has been a debate in which words have had consequences. The Government have listened and, as we should, we have acted on what we have heard. Significant and strengthening changes have been made as a direct result and thus, subject to today's vote, the Bill goes to the other place in good shape, buttressed by a clear electoral mandate. I commend it to the House.

**Madam Deputy Speaker (Mrs Eleanor Laing):** As we complete this historic new procedure, I propose the Question that the Bill be now read the Third time.

6.14 pm

**John Healey:** As we pass this Bill on to the other place, I thank the officers and staff of the House, particularly those in the Public Bill Office, for their guidance and support throughout our work. I also pay tribute to my Front-Bench colleagues, my hon. Friends the Members for City of Durham (Dr Blackman-Woods), for Erith and Thamesmead (Teresa Pearce), for Greenwich and Woolwich (Matthew Pennycook) and for Easington (Grahame M. Morris). They relentlessly exposed the deep political, fiscal and policy flaws in the Bill as we opposed the worst of what the Government are trying to do. I am grateful, too, for the unified and strong support from my colleagues on the Labour Benches, particularly those who served on the Public Bill Committee—my hon. Friends the Members for Bootle (Peter Dowd), for Harrow West (Mr Thomas) and for Dulwich and West Norwood (Helen Hayes). I pay tribute also to the other members of that Committee who worked through those 40 hours of scrutiny.

The voices of serious concern from the Conservative Benches are welcome, as well as striking—those of the hon. Members for Hertford and Stortford (Mr Prisk) and for Wimbledon (Stephen Hammond), the right hon. Members for Cities of London and Westminster (Mark Field) and for Arundel and South Downs (Nick Herbert), and the hon. Members for St Albans (Mrs Main), for South Cambridgeshire (Heidi Allen) and for Oxford West and Abingdon (Nicola Blackwood), to name just a few. It is a warning to Ministers, and a signal to the other place, that Conservative Members and Conservative local government leaders rightly have growing criticisms about the loss of genuinely affordable homes in their area, rural and urban alike, about the sweeping new powers for Ministers to impose planning decisions on

local communities, and about the so-called starter homes being unaffordable for many young families on modest incomes in their areas.

Usually, we hope to improve a Bill as it goes through the House. This was a bad Bill; it is now a very bad Bill. It was a bad Bill, now made much worse by amendments forced through at the last minute after the Committee's line-by-line scrutiny—new clauses to define homes on sale for up to £450,000 as officially affordable. The Government are not building enough affordable homes, so they are simply branding more homes as affordable. Other late amendments included new clauses to stop councils offering anything longer than two to five-year tenancies, meaning the end of long-term rented housing, the end of a stable home for many children as they go through school, and the end of security for pensioners who move into bungalows or sheltered flats later in life.

How has it come to this—that we on the Labour Benches are having to defend the reforms and rights introduced by Margaret Thatcher? This is an extraordinary and extreme Bill.

**Catherine West:** Does my right hon. Friend agree that this Bill makes the lives of Londoners and people in other regions as well much less secure? Added to the insecurity that many people are experiencing in the workplace, that makes everyone's life much worse.

**John Healey:** My hon. Friend is right. The Bill fails to get to grips with the problems of modern life and the crisis of homeownership, especially for young people and families on ordinary incomes. The so-called starter homes are simply out of reach in those areas where people most need help to buy a home of their own. Last week, Tory MPs voted against Labour proposals to make those homes more affordable. The Bill sounds the death knell for social housing, which has had support from all parties for over a century, and for the first time since the second world war, the Chancellor confirmed in the autumn statement that there is no national investment programme to build such housing.

Starter homes will be built in place of affordable council and housing association homes, both to buy and to rent. Councils will be forced to sell their best properties and housing associations will not replace many of their right-to-buy sales with like-for-like homes. That is why Shelter, like the independent Chartered Institute of Housing, predicts that this Bill will lead to the loss of at least 180,000 genuinely affordable homes to rent and buy over the next five years—an extraordinary and an extreme Bill.

We have tried to stop the worst of the plans, but Tory Ministers and Back Benchers have opposed our proposals to give local areas the flexibility to promote not just starter homes but homes of all types, depending on local housing need; to make starter homes more affordable and protect and recycle taxpayers' investment; to stop Ministers mandating that pay-to-stay limits hit working households on modest incomes; to allow local areas to protect council and housing association homes with a proper replacement of each; to limit any automatic planning permission from Ministers for brownfield land; and to protect stable family homes for council tenants.

In truth, many of the problems are caused by Ministers who announce first and ask questions later—no consultation and little time for proper scrutiny. More

than 60 pages of new legislation were tabled at the last minute after the Committee had completed its scrutiny. There is a great deal for the other place to do.

In five years of government, we have seen five years of failure on housing under Conservative Ministers. Homelessness is rising, private rents are soaring and levels of homeownership have fallen each and every year since 2010; they are now at the lowest level for a generation. Over the past five years, the Government have seen fewer new homes built than under any Government in peacetime history since the 1920s. After five years of failure, the Bill does nothing to deal with the root causes of those failures; in many areas, it will make the problems a great deal worse.

**Andrew Gwynne:** Is it not also time that the Government practised what they preach? There are measures in the Bill to tackle houses of multiple occupation, yet in my constituency, but for the tenacity of Councillor Oliver Ryan and local residents, the Home Office and its contractors would have converted a small semi-detached family home into an HMO for the dispersal programme.

**John Healey:** My hon. Friend is right; I could have extended the list. Tory Ministers and Back Benchers have voted against our proposals to reinforce councils' hands so that they deal with such abuse from landlords and such exploitation of tenants, to require homes to meet standards that make them fit for human habitation and to mandate annual electrical safety checks. They rejected each and every one of those proposals, to which we will return in the other place.

**Mr George Howarth (Knowsley) (Lab):** Will my right hon. Friend add to that list the failure to address the fact that some private landlords use properties to launder drug money?

**John Healey:** My right hon. Friend may well be right in some cases. One of the weaknesses of the enforcement regime and council powers, not to mention the resources being stripped out by the deep cuts, is that action to deal with such problems, often with other agencies, is prevented. Those issues blight many areas when they could be dealt with.

During the Bill's passage the Prime Minister has been hyperactive with housing announcements; if press releases built homes, he would have had the housing crisis sorted by now. In years to come, people will judge him, the Government and the Bill on whether their housing pressures have eased, their housing prospects have improved and their housing costs have become more affordable. After five years of failure, we desperately needed a Bill to give people hit by the high cost of housing and the cost of housing crisis some hope that things will change. But this is not that Bill. This is an extraordinary and extreme Bill, and we will vote against it again tonight.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. A great many Members wish to speak in this important Third Reading debate. We have only half an hour left. I hope that hon. Members will be courteous and take no more than three to four minutes: that means less than four minutes.

6.24 pm

**Robert Neill** (Bromley and Chislehurst) (Con): I am saddened to have heard the speech by the right hon. Member for Wentworth and Dearne (John Healey), because he and my right hon. Friend the Secretary of State are two of the people I have always had the most respect for in this Chamber, but his diagnosis is fundamentally flawed. I am sorry that he has fallen into that error.

The reality is that the Secretary of State has brought forward a Bill that is necessary, proportionate and sensible. Anyone who tries to characterise anything that comes from my right hon. Friend as extreme is, I am sorry to say, not in touch with political reality. In the past—I understand why the right hon. Member for Wentworth and Dearne was in difficulty—we saw a litany of failure by Labour Governments. As a result, when my right hon. Friend the Secretary of State and I, with my hon. Friend the Member for Hertford and Stortford (Mr Prisk) and others, walked into the Department for Communities and Local Government, we inherited the worst rates of house building since the 1920s, the worst rates of social housing being built, and a market that was depressed and crushed.

That was particularly so in London, thanks to the very dirigiste and impositional views adopted by the previous Mayor, Ken Livingstone, who choked off the supply of housing, through unrealistic demands for a social element under section 52 agreements on developers and an almost ideological hatred of the private rented sector—a sentiment which, I am sorry to say, slipped through in an intervention earlier. If run properly, the private rented sector has a crucial role to play in the housing mix of London and of any other city or nation. It is sad that we see a retreat not just back to the '70s and '80s but to policy of an incompetence that Herbert Morrison would be ashamed of.

**Mrs Miller:** Does my hon. Friend recognise the problems that I experienced under the Labour Government of centrally set house building targets that led to high levels of flatted accommodation rather than the family homes that are being delivered under this Government, with hundreds of families getting starter homes of the sort that they could only dream of under the previous Labour Government?

**Robert Neill:** My right hon. Friend is absolutely right. The London suburbs, in particular, suffered from the ludicrous policy of counting things in terms of units rather than the number of affordable homes. That meant that places such as Bromley, Beckenham and others were swamped with flats being built—one or two-bedroom units—when the real demand was for affordable family homes. That, at last, we are tackling. Good housing associations such as Affinity Sutton in my constituency were happy to sign up to the agreement with the Secretary of State, because it gives them flexibility to be innovative.

I remember when I was a councillor tons and tons of people in my ward wanting to buy their home and the Labour Government stopping them. I find it pretty appalling that someone I would usually respect seeks to obstruct and stop people having aspiration. Aspiration goes beyond being forever a tenant—it goes to having a chance to buy and a chance to get on. It is that lack of aspiration that so characterises Opposition Front Benchers.

That is why their opposition to this Bill is so sad and, I would say, such a betrayal of hard-working people—people exactly like my shop steward grandfather, who worked hard to buy his own home and was helped to do so. They are exactly the people this Government are trying to help. We will not take any lessons from Labour Members about social inclusion or equality. They are reversing social inclusion and equality. They set it back, and we should congratulate—

**Mr Bacon:** While my hon. Friend is on the subject of Labour's lack of radicalism, does he share my confusion that the Labour party, which has control of many councils and billions of pounds of reserves, is not establishing and promoting mutual housing co-operatives? There is nothing in law to prevent Labour from doing that. If it really wanted to promote in perpetuity social rents, there are avenues available to it. Where is the radicalism one would have expected to hear from Labour Members?

**Robert Neill:** My hon. Friend is absolutely right. Many local authorities would take that up. Housing co-operatives are a great idea. Labour's attitude towards the private rented sector has been a barrier to the institutional investment in the private sector that would so improve the quality of the stock. It is the consistent failure of Labour authorities to take their opportunities that is the real story, not the freedoms that this Government and the previous coalition Government had been giving them.

It is a sad day, but I have to say this frankly to the right hon. Member for Wentworth and Dearne and his hon. Friends: I like them as people but they are profoundly wrong in their opposition to this Bill.

6.28 pm

**Alison Thewliss** (Glasgow Central) (SNP): I notice that the hon. Member for Edinburgh South (Ian Murray), who criticised us earlier, has since vanished from the Chamber—what a shame.

Members may remember—I am not sure if the hon. Member for Bromley and Chislehurst (Robert Neill) was here—when I spoke on 2 November about my grandparents' house in Wishaw. I passed it on Sunday, and new tenants have moved in. A house that was in my family's care as socially rented council tenants has now moved on to another generation. That is a very nice and positive thing that this Government want to remove from England.

Listening to this debate has been like listening to a story about another country, because in Scotland—[*Interruption.*] If the hon. Member for Burton (Andrew Griffiths) wants to intervene on me, he can, rather than grumbling on the other side of the Chamber. We have not participated in votes on this Bill, because we felt it was important to allow English and Welsh Members to make those decisions. We did not need English votes for English laws to make us take that principled stance.

We have taken on board concerns raised by Shelter, the Chartered Institute of Housing and the Scottish Federation of Housing Associations, which is worried about the impact on Scotland. We could not necessarily table an amendment on unintended consequences for, or things that might happen to, housing associations

based in Scotland as a result of the Bill; there are a number of cross-border housing associations and we do not yet know what the impact on them will be. If they are forced to sell off stock south of the border, what will be the impact on their investment and other plans for Scotland and Scottish tenants? We do not know.

We have abolished the right to buy in Scotland, and for good reason. Those houses were being lost from the housing stock in Scotland and people were languishing on waiting lists. We realised that we could go no further, because people were not getting the chance to realise their aspiration of a socially rented home. Their aspiration was for a home, not a house, to live in for generations.

The tenancy limit is a cause for concern and will upset many people. People want to live and settle in an area and to belong to it. For many people, that will be the area they grew up in, while for others it will be elsewhere. If people's rent is going to be up for review every two to five years, as stated in the Bill, they will not know whether they will be permitted to stay in their home. They might have to move and they will not know whether their children will be able to stay in their school. There may, therefore, be consequences for local schools in the area; if there is a constant turnover of pupils, that will impact on a school's ability to work well, flourish and build a solid community in which we would all wish to live.

The Bill is pretty dreadful in many respects. The Minister said earlier that he did not want central command and control over housing. Why, then, does he want to set the rent and force housing associations to reduce rent by 1%, which undermines their ability to borrow, plan and provide essential welfare rights services to their tenants? They do not have that choice any more—he has taken it out of their hands through his central command and command system.

Pay to stay will have an impact on the personal relationship that many tenants have with their housing officer and their neighbours, who, if their daughter or son is waiting for a house, may feel inclined to clype, should somebody get a wee pay increase or if they want to improve themselves by getting a new job or a promotion. That undermines the principles of every party, because we all want people to get on and do better. It is just not right, and the Government have clearly recognised that by rolling back the scheme and making it voluntary rather than compulsory. I hope that in time they will get rid of it altogether.

I am also concerned about the selling of high-value homes, because they are not luxury mansions, but family homes that allow families to stay in local communities. We should look at that again, because it is very important that they are replaced properly. I will close on that point, because other Members want to speak and I would not want to abuse the House.

6.33 pm

**Chris Philp:** I will do my best to stick to Madam Deputy Speaker's injunction of an informal four-minute limit.

It was a pleasure to serve on the Bill Committee and to watch both Front-Bench teams in action. I welcome the Bill as an opportunity further to improve this Government's record on house building. The right hon. Member for Wentworth and Dearne (John Healey)

cited some statistics a few moments ago. I respectfully remind him that in his last year as Housing Minister, there were 125,000 starts across the United Kingdom, yet last year, under the current Secretary of State and Housing and Planning Minister, the figure had increased by 35% to 165,000 starts. This Government have a record they can be proud of.

**Anna Turley:** London has experienced a 55% increase in rough sleeping. There is a Tory Mayor and a Tory Government. Is that the kind of Tory aspiration we have heard about this evening?

**Chris Philp:** I believe that the level of rough sleeping last year had gone down compared with five years ago. Of course action is needed to combat this terrible problem. I am sure that we can all agree on that.

There is agreement around the House that there is an under-supply of housing in this country when compared with population growth. That is true, and I welcome the measures in the Bill to increase the housing supply, particularly the measures to build on surplus brownfield land, as encapsulated by local development orders. The measures will also help to protect the green belt by making sure that we focus development in areas where it is most appropriate. The London Land Commission, which is jointly chaired by the Minister for Housing and Planning, is already doing its work. I welcome the announcement made a week or so ago about giving it further powers to bring publicly owned land into development. Similarly, amendments tabled on Report last week to introduce non-local authority providers of planning processing services—not decision making, but processing powers—will expedite the passage of planning consents and further increase the supply of housing. All those measures will help to increase housing supply, and therefore help to improve affordability.

Another area in which the Bill does welcome work is that of home ownership. The right hon. Member for Wentworth and Dearne pointed out that home ownership has declined. The decline started in 2007, not 2010, but it is lamentable that home ownership has gone down. I welcome the starter home initiative, which I hope will reverse the trend. It is regrettable that the Labour party has passed up every opportunity to promote home ownership provided for by the Bill, which I shall be delighted to vote for in a few minutes' time. In effect, every first-time buyer in this country will be given a 20% discount when the Bill becomes law. That is extremely welcome, and will I hope reverse the tide of home ownership decline. We should all be able to support that.

In summary, the Bill will increase the housing supply and promote home ownership. I urge all Members to support it. I even urge our SNP colleagues to support it vicariously.

6.36 pm

**Andy Slaughter:** It is difficult to dignify this Bill with analysis, because parts of it are so squalid and vindictive. What is pay to stay if it is not punishing success or making people on moderate incomes unable to afford to live in places such as my constituency. In the short time available, I want to focus on two of its aspects: one is the enforced sale of council housing, and the other is the end of secure tenancies.

[*Andy Slaughter*]

Such sales are nothing less than ad hominem attacks on every council tenant, every housing association tenant and everyone who lives in a social landlord tenancy in this country. Frankly, the policy is outrageous. It has nothing to do with housing policy; it is to do with sectarian interests, gerrymandering and social engineering. I agree with Glenn Tilbrook, the lead singer of Squeeze, who memorably sang to the Prime Minister on “The Andrew Marr Show” on Sunday that council housing—affordable and secure homes for people on low and moderate incomes—is

“part of what made Britain great”.

For my constituents, the policy means that 50% of council housing will be sold off: 6,500 homes will be lost from the public sector in that way when there is an absolutely chronic shortage of decent housing and no one can afford private rents or owner occupation in my constituency. I do not believe that such homes will be replaced. Whenever homes are demolished, either they are not replaced or they are replaced by meaner versions at the side of private sites. The hon. Member for Richmond Park (Zac Goldsmith) let the cat out of the bag when he said that all the Tories will do is replace them with starter homes costing £450,000 and miles away from the areas in which such people are now living.

The attack on security of tenure is the most disgraceful thing in this Bill. Security of tenure is part of the social compact in this country, as Margaret Thatcher understood. When we had the Housing Acts 1985 and 1988, private tenancies were made insecure, which I regret, but assured tenancies and secure tenancies gave families something they could call a home. Why do this Government want to destroy that?

Finally, the largest development site in London—24,000 new homes in Old Oak—is in my constituency. We are now told that they will be starter homes. Who will be able to afford homes at £450,000 each? The hon. Member for Richmond Park should be ashamed of himself. He cannot speak for London on this issue. The speech of my right hon. Friend the Member for Tooting (Sadiq Khan) shows that only one party and one candidate in the mayoral election will stand up for all Londoners in providing genuinely affordable housing in this country.

6.39 pm

**Clive Efford:** We will take no lectures from the Government on home ownership. It is at its lowest level for a generation and has gone down in every year under their tenure. They have to explain why they scrapped the £8.4-billion investment that was put into the programme in 2008 to build houses of all sorts, including affordable houses to buy, and cut it down to £660 million in their first Budget.

This is a war on social housing. For London, it is a war on traditional, long-standing, established working-class communities that have played their part in the economy of London for generations. There are several measures in the Bill that will wipe out the future of social housing. On planning, section 106 funding used to pay for most social housing, but will now pay for starter homes. There is the forced sale of housing association properties and the forced sale of high-value council housing properties

to subsidise the rebuilding of housing association properties. We are yet to see the figures that prove that that is financially viable.

To the Government’s eternal shame, there is the removal of secure tenancies, with no mandate from the electorate whatsoever. There was no warning. We said that this was what the Tories wanted to do in 2010. We were told that we were lying. We are not lying now, are we, because it is exactly what they have done at the first opportunity to introduce it.

There is pay to stay. If someone goes out and increases their income or if the family income increases, they will be penalised with a higher rent. In what other social field would the Tories introduce a policy like that? It is just a war on social housing.

However, the Tories are prepared to subsidise home ownership. I am happy to see the subsidising of home ownership through various schemes, but it is not fair when the money is taken away from social housing. The Chartered Institute of Housing estimates that the cost of this measure will be £3.3 billion. We are yet to see where that money will come from.

The hon. Member for Richmond Park (Zac Goldsmith) says that there will be two-for-one replacement in Greater London. Where are the figures to show that that adds up? It is a fig leaf to cover his embarrassment at the Bill, which is disastrous for communities in London. It is an excuse written up on the back of the fag packet by Lynton Crosby, who is running his campaign. It will not work for people in London.

What the Tories do not understand is that social housing is an essential part of any major city’s economy. People need to live close to where they work. Particularly on the back of the fare increases that we have seen from this Tory Mayor, people cannot afford to do low income jobs, live in outer London and travel into central London. That is why low-cost social housing is so essential in areas of high land values in central London. The Tories do not understand it—they never have and they never will. They have always had a hatred of social housing. This is a Bill that Margaret Thatcher could not have dreamt of. It is a disaster for communities in London and I’ll tell you what: the Tories will rue the day that they did this.

**Several hon. Members** *rose*—

**Mr Speaker:** I need speeches of nearer to three minutes, because I wish to call the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson) and then to accommodate the hon. Members for Westmorland and Lonsdale (Tim Farron), for Brent North (Barry Gardiner) and for Sheffield, Brightside and Hillsborough (Harry Harpham).

6.43 pm

**Dame Angela Watkinson** (Hornchurch and Upminster) (Con): In welcoming this large and excellent Bill, I thank the Secretary of State, who fell short of accepting my new clause 5, but who has agreed to set up a working party to look into why so few local authorities use the powers that are available to them to collect tenure information via their council tax application forms. I believe that the information so collected would be extremely helpful to local authorities and tenants in identifying rogue landlords and letting agents, as well as



housing benefit fraud, unregulated houses in multiple occupation, environmental health issues and other parts of the housing and planning function. I look forward to the working group making progress to ensure that those powers are exercised consistently across all local authorities.

6.44 pm

**Tim Farron:** It is right that the Government included a Housing Bill in the Queen's Speech. Poor housing robs people of their freedom and liberty, and housing is the entry point to a civilised society. It is therefore a tragedy that in response to a broken market and chronic lack of supply, where we need 300,000 new builds a year over 10 years, where 1.6 million people are rotting on a council house waiting list, and where more than a quarter of 18 to 30-year-olds in this country are still living in the family home—

**Peter Dowd (Bootle) (Lab) rose—**

**Tim Farron:** I probably should not give way to be fair to other Members who wish to speak.

It is a tragedy that the scale of this crisis is inverse to this Government's puny ambition. Where is the designation of the five to 10 garden cities that are needed over this decade? Where is the increase in income and building capacity for housing associations? Instead, there is a decrease in their ability to raise funds to develop homes. Where is the increase in social housing that we desperately need to meet the needs of 1.6 million people? Instead there is a diversion of funds towards the wrong priorities. In short, we have 200,000 so-called starter homes, instead of 300,000 section 106 actual affordable homes. Right to buy is the second huge assault on affordable housing.

If we believe that aspiration is right and that the right to own one's home is good and something to work towards, we should be allowing a like-for-like replacement in advance. If, by an act of vandalism, we want to destroy social housing, we should do what the Government are doing.

The hon. Member for Bromley and Chislehurst (Robert Neill) took offence at those on the Labour Front Bench who used the word "extreme", but this Government's actions towards rural communities are absolutely extreme. If we consider that three in four council houses in South Lakeland are now privately owned, and many are expensive private lets, we realise the damage done to rural Britain, not just in the lakes but in the west country and other parts of the UK. That shows a complete lack of understanding of rural Britain, as well as a failure to tackle the second homes crisis in those areas.

The Government acknowledged a broken market and made a choice to keep it broken. It is often said that there is nothing more stressful than the time we move home, because it is costly and psychologically difficult. Well, welcome to real Britain everyday life for millions of people who cannot afford their own home. The Government have looked those people in the eye. To govern is to choose, and they have chosen to let those people down. This Bill should fall.

6.47 pm

**Barry Gardiner:** There have been many good amendments to the Bill, but sadly they were the ones the Government rejected. New clauses 3 and 4 would have set right many

of the inadequacies of the Commonhold and Leasehold Reform Act 2002, but they were rejected. New clause 52—imagine, Mr Speaker, a clause to ensure that rented properties are fit for human habitation: defeated. Houses not fit for habitation were voted for by a Government not fit to govern. The Bill focuses on the abolition of social housing, both council and housing association owned, and it is a deliberate dismantling of the social rented sector.

**Peter Dowd:** Is my hon. Friend aware that as a result of this Bill one of my local housing associations is preparing to sell off stock that is expensive to maintain as it becomes vacant, even if that is through auction, and it is incrementally moving out of the very areas it was supposed to serve?

**Barry Gardiner:** My hon. Friend makes a powerful point, and in my constituency 500 council homes in Brent would be at risk of forced sale, rather than going to people on the waiting list. We have 4,500 households on the waiting list in bands A to C. Band D has been abolished, and we have had to tell people that anyone in band D does not stand a chance of getting a home in Brent North. That is the scale of the problems we are facing, and the response that we have had from the Government is totally inadequate to meet the housing needs of people in London. High rent, lower than average incomes and a larger than average household size in my constituency means that affordability is a huge problem.

Council and housing association rents are to be cut by 1% a year. That is mixed news. According to the Institute for Fiscal Studies, it will help very few of the 3.9 million social tenants—it just comes off their housing benefit—but it is a great bonus for the Treasury. Some £1.7 billion will be removed from the housing benefit bill by leaving a disastrous hole in council and housing association finances. It is there, in the social rented sector, that the real price of this measure will be paid for and felt by tenants.

Future planning for housing development will have a greater and greater share of homeownership, rather than social rented housing. Communities will find themselves broken up by redevelopment or, in the long term, by the loss of secure tenancies, which have been a bedrock of stable neighbourhoods. I want children in my constituency to grow up knowing that in three years' time they will be able to sit their GCSEs and their A-level exams at the same school they started off in at the age of 11. The Government are denying them that right. It used to be that an English family's home was their castle—no longer.

6.51 pm

**Harry Harpham (Sheffield, Brightside and Hillsborough) (Lab):** I would like to focus on a couple of areas that I find especially concerning.

First, on the planned extension to the right to buy scheme, Ministers have made much of it being agreed to voluntarily by the National Housing Federation. Given that it was accepted only with the clear knowledge that similar measures would be forced on housing associations, there are some doubts as to

[Harry Harpham]

how voluntary the agreement really was. After the Government strong-armed housing associations into this position, it is no wonder that they are sceptical.

Forcing local authorities to sell off their housing stock to pay for the policy means councillors are not exactly keen either. As the Tory-led Local Government Association pointed out, councils are best placed to respond to their area's housing needs. It is disappointing that Ministers, who not so very long ago prided themselves as the champions of localism, are now tying councils' hands while they raid town halls for the money to cover this counterproductive measure.

The Chartered Institute of Housing has suggested that sales of these high value properties will fall well short of expectations, to the tune of some £3.3 billion. More to the point, who will these high-value homes be sold to? If they are high value, then certainly they will not be sold to first-time buyers. Councils are incentivised to sell them at a price as dear as possible to make sure they can meet Treasury demands, so they will, more likely than not, end up in the hands of speculators or buy-to-let landlords. Council housing that was once leased at affordable rents will move out of the reach of people struggling to meet their housing costs.

The other area where the right to buy policy really falls down is on its lack of a requirement for replacement housing to be built on a like-for-like basis. As it stands, the Bill is far too weak on housing association replacements. There is no requirement for them to build a similar property to the one sold, or even to build it at the same end of the country. A third are now saying that they will stop building affordable homes altogether. Housing associations have always worked with a social ethos, but the Bill hollows that out to the point where commercial survival is all.

On council tenancies, the Bill legislates for insecurity. By forcing local authorities to offer only short-term tenancies, the Government are encouraging uncertainty and worry for low-income families. For council tenants, the house they live in is not an asset to be managed. It is a home. It is where they have raised their family. For those on low and very limited incomes, a secure tenancy represents safety, stability and a sense of belonging.

I will end with a few remarks about the private rented sector. From my own experiences as a councillor in Sheffield, I know there are many dedicated and genuinely caring private landlords whose professionalism does them great credit, but there is far too large a minority who see their often vulnerable tenants as cash cows and who have little thought for their responsibilities, other than turning up every week on the doorstep to collect the rent. Private renting is on the rise. One quarter of all families with children are private renting, and it is a national scandal that nearly one third of these properties do not meet the decent homes standard. The Government are to be congratulated on trying to get to grips with the problem, but the Bill could be so much bolder. A statutory requirement for private landlords to make sure their properties are up to scratch throughout the lifetime of a tenancy would give their tenants a decent level of security and allow for much swifter action to be taken against landlords who give the rest a bad name.

*Question put.* That the Bill be now read the Third time.

*The House divided: Ayes 309, Noes 216.*

**Division No. 163]**

**[6.55 pm**

**AYES**

Adams, Nigel	Djanogly, Mr Jonathan
Afriyie, Adam	Donaldson, rh Mr Jeffrey M.
Aldous, Peter	Donelan, Michelle
Allan, Lucy	Dorries, Nadine
Allen, Heidi	Double, Steve
Amess, Sir David	Dowden, Oliver
Andrew, Stuart	Doyle-Price, Jackie
Ansell, Caroline	Drax, Richard
Argar, Edward	Drummond, Mrs Flick
Atkins, Victoria	Duddridge, James
Bacon, Mr Richard	Duncan, rh Sir Alan
Baker, Mr Steve	Duncan Smith, rh Mr Iain
Baldwin, Harriett	Dunne, Mr Philip
Barclay, Stephen	Ellis, Michael
Barwell, Gavin	Ellison, Jane
Bebb, Guto	Ellwood, Mr Tobias
Bellingham, Sir Henry	Elphicke, Charlie
Benyon, Richard	Eustice, George
Beresford, Sir Paul	Evans, Graham
Berry, Jake	Evans, Mr Nigel
Berry, James	Evennett, rh Mr David
Bingham, Andrew	Fabricant, Michael
Blackman, Bob	Fallon, rh Michael
Blackwood, Nicola	Fernandes, Suella
Blunt, Crispin	Field, rh Mark
Boles, Nick	Foster, Kevin
Bone, Mr Peter	Fox, rh Dr Liam
Borwick, Victoria	Frazer, Lucy
Bradley, Karen	Freeman, George
Brady, Mr Graham	Freer, Mike
Brazier, Mr Julian	Fuller, Richard
Bridgen, Andrew	Fysh, Marcus
Brine, Steve	Gale, Sir Roger
Brokenshire, rh James	Garnier, rh Sir Edward
Bruce, Fiona	Garnier, Mark
Buckland, Robert	Gauke, Mr David
Burns, rh Sir Simon	Gibb, Mr Nick
Burrowes, Mr David	Gillan, rh Mrs Cheryl
Burt, rh Alistair	Glen, John
Cairns, Alun	Goodwill, Mr Robert
Campbell, Mr Gregory	Gove, rh Michael
Carmichael, Neil	Graham, Richard
Cartledge, James	Grant, Mrs Helen
Caulfield, Maria	Grayling, rh Chris
Chalk, Alex	Green, Chris
Chishti, Rehman	Green, rh Damian
Chope, Mr Christopher	Greening, rh Justine
Churchill, Jo	Grieve, rh Mr Dominic
Clark, rh Greg	Griffiths, Andrew
Clarke, rh Mr Kenneth	Gummer, Ben
Cleverly, James	Gyimah, Mr Sam
Clifton-Brown, Geoffrey	Halfon, rh Robert
Coffey, Dr Thérèse	Hall, Luke
Collins, Damian	Hammond, rh Mr Philip
Colville, Oliver	Hammond, Stephen
Costa, Alberto	Hands, rh Greg
Cox, Mr Geoffrey	Harper, rh Mr Mark
Crabb, rh Stephen	Harris, Rebecca
Crouch, Tracey	Hart, Simon
Davies, Byron	Haselhurst, rh Sir Alan
Davies, Chris	Hayes, rh Mr John
Davies, David T. C.	Heald, Sir Oliver
Davies, Dr James	Heaton-Harris, Chris
Davies, Mims	Heaton-Jones, Peter
Davies, Philip	Henderson, Gordon
Davis, rh Mr David	Herbert, rh Nick
Dinenage, Caroline	Hinds, Damian

Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Hopkins, Kris  
 Howarth, Sir Gerald  
 Howell, John  
 Howlett, Ben  
 Huddleston, Nigel  
 Hunt, rh Mr Jeremy  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 James, Margot  
 Javid, rh Sajid  
 Jayawardena, Mr Ranil  
 Jenkin, Mr Bernard  
 Jenkyns, Andrea  
 Jenrick, Robert  
 Johnson, Boris  
 Johnson, Gareth  
 Johnson, Joseph  
 Jones, Andrew  
 Jones, rh Mr David  
 Jones, Mr Marcus  
 Kawczynski, Daniel  
 Kinahan, Danny  
 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  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 May, rh Mrs Theresa  
 Maynard, Paul  
 McCartney, Jason  
 McCartney, Karl  
 McLoughlin, rh Mr Patrick  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 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  
 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  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Phillips, Stephen  
 Philp, Chris  
 Pincher, Christopher  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Rees-Mogg, Mr Jacob  
 Robertson, Mr Laurence  
 Robinson, Gavin  
 Robinson, Mary  
 Rosindell, Andrew  
 Rudd, rh Amber  
 Rutley, David  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Shelbrooke, Alec  
 Simpson, David  
 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  
 Trevelyan, Mrs Anne-Marie  
 Truss, rh Elizabeth  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Tyrie, rh Mr Andrew  
 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  
 Wilson, Sammy  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Ayes:**  
 Sarah Newton and  
 Simon Kirby

#### NOES

Abbott, Ms Diane  
 Abrahams, Debbie  
 Alexander, Heidi  
 Anderson, Mr David  
 Ashworth, Jonathan  
 Austin, Ian  
 Bailey, Mr Adrian  
 Barron, rh Kevin  
 Beckett, rh Margaret  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Blomfield, Paul  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brown, Lyn  
 Bryant, Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Burnham, rh Andy  
 Butler, Dawn  
 Byrne, rh Liam  
 Cadbury, Ruth  
 Campbell, rh Mr Alan  
 Campbell, Mr Ronnie  
 Champion, Sarah  
 Chapman, Jenny  
 Clegg, rh Mr Nick  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Cox, Jo  
 Coyle, Neil  
 Crausby, Mr David  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 David, Wayne  
 Davies, Geraint  
 De Piero, Gloria  
 Doughty, Stephen  
 Dowd, Jim  
 Dowd, Peter  
 Dromey, Jack  
 Dugher, Michael  
 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  
 Flint, rh Caroline  
 Fovargue, Yvonne  
 Foxcroft, Vicky  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Green, Kate  
 Greenwood, Lilian  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Hanson, rh Mr David  
 Harman, rh Ms Harriet  
 Harpham, Harry  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hoey, Kate  
 Hollern, Kate  
 Hopkins, Kelvin  
 Howarth, rh Mr George  
 Hunt, Tristram  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Johnson, Diana  
 Jones, Gerald  
 Jones, Graham  
 Jones, Helen  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike

Kaufman, rh Sir Gerald  
 Keeley, Barbara  
 Kendall, Liz  
 Khan, rh Sadiq  
 Kinnock, Stephen  
 Kyle, Peter  
 Lamb, rh Norman  
 Lammy, rh Mr David  
 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  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, Dr Alasdair  
 McDonnell, John  
 McFadden, rh Mr Pat  
 McGinn, Conor  
 McGovern, Alison  
 McInnes, Liz  
 McKinnell, Catherine  
 McMahan, Jim  
 Miliband, rh Edward  
 Moon, Mrs Madeleine  
 Morden, Jessica  
 Morris, Grahame M.

Mulholland, Greg  
 Murray, Ian  
 Nandy, Lisa  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Pearce, Teresa  
 Pennycook, Matthew  
 Perkins, Toby  
 Phillips, Jess  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Qureshi, Yasmin  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reynolds, Emma  
 Reynolds, Jonathan  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Sharma, Mr Virendra  
 Sheerman, Mr Barry  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smith, Owen  
 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, Derek  
 Twigg, Stephen  
 Umunna, Mr Chuka  
 Vaz, rh Keith

Vaz, Valerie  
 Watson, Mr Tom  
 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 Noes:**  
**Judith Cummins and**  
**Sue Hayman**

*Question accordingly agreed to.*

## **Business without Debate**

### **DELEGATED LEGISLATION**

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### **LANDLORD AND TENANT**

That the Agricultural Holdings Act 1986 (Variation of Schedule 8) (England) Order 2015, dated 24 November 2015, a copy of which was laid before this House on 2 December 2015, be approved.—  
*(Margot James.)*

*Question agreed to.*

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### **TERMS AND CONDITIONS OF EMPLOYMENT**

That the draft National Minimum Wage (Amendment) Regulations 2016, which were laid before this House on 7 December 2015, be approved.—  
*(Margot James.)*

*Question agreed to.*

## Connaught Income Fund

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

7.10 pm

**Guto Bebb** (Aberconwy) (Con): Before we get into the detail of the questions I want to ask the Minister, I think it is important for me to provide some context and background on the issue.

The Connaught Income Fund Series 1 was established in April 2008. The aim of the fund was to invest in bridging loans, primarily through a company called Tiuta International Ltd. Regulatory demands resulted in the fund being operated by a Financial Services Authority-regulated firm. In the case of Connaught the initial operator was Capita Financial Managers Ltd.

Capita issued the first investment memorandum as the fund's promoter under section 21 of the Financial Services and Markets Act 2000 in April 2008. In September 2009 Capita Financial Managers resigned and the role of the operator was transferred to Blue Gate Capital management. At the time this decision was taken, a meeting between representatives of Capita Financial Managers and Capita plc was held. Minutes of this meeting, which are in the public domain, confirm that Capita was, at the very least, concerned about Tiuta's financial viability and was aware of the false representations promoted to investors within the information memorandum. However, despite this level of knowledge and concern about the viability of Tiuta and the improper use of moneys invested in the fund, Capita, upon transferring the operator status to Blue Gate Capital management, did not inform existing investors of its concerns. That is despite the fact that Capita did write to existing investors informing them of the change of operator.

**Jim Shannon** (Strangford) (DUP): I congratulate the hon. Gentleman on securing this debate, and the number of Members who are present is an indication of the interest in this issue. Does he agree that the Financial Conduct Authority should publish the issues that resulted in it withdrawing from negotiations with Connaught and other parties so that, importantly, those who lost out in the collapse of this fund can know who they have cause to claim against and to blame?

**Guto Bebb:** The hon. Gentleman makes an important point that I will come on to. Indeed, the need for information as to why that decision was taken is something I will be asking the Minister to comment on.

**Graham Stuart** (Beverley and Holderness) (Con): I, too, congratulate my hon. Friend on championing this issue. I have been contacted by constituents. They want to know why the FCA is taking so long conducting its inquiry and when they are going to get information about what is going on within it. They want to be confident that the inquiry is being properly conducted and to see a resolution of this unpleasant and long-running saga.

**Guto Bebb:** My hon. Friend has summarised my speech in a pithy intervention.

It is important to highlight that when the transfer of operator happened, the subsequent information memorandum issued by Blue Gate was virtually identical to the original information memorandum issued by Capita, and for a further 10 months, more or less, investors' funds going into Connaught were still managed by Capita IRG Trustees Ltd, which handled investors' money while Blue Gate waited to receive authority from the FSA to handle client funds.

The whole issue becomes even more concerning because in January 2011 a whistleblower—none other than the chief executive of Tiuta, George Patellis—contacted the FSA to make a principle 11 notification in relation to the misuse of fund moneys by Tiuta. In March 2011 George Patellis met Ian Conway from the FSA to highlight evidence of mismanagement and the fraudulent use of investor funds. He provided ample evidence to support his claims.

**Kirsten Oswald** (East Renfrewshire) (SNP): Does the hon. Gentleman share my concern that, after five years, the regulatory authorities appear to have made little progress on securing justice for the 1,500 investors, including my constituent George Devon, who lost money in what should have been a secure investment fund? They have made even less progress on working out who to hold to account for the disappearance of more than £100 million. Will he join me in calling for a comprehensive review of the regulatory framework, which is supposed to protect small-scale investors but fails to do so?

**Guto Bebb:** I will join the hon. Lady in that call, and I agree entirely with her comments.

On 26 May 2011, three months after the whistleblower provided evidence of wrongdoing, the FSA finally published a note on its website stating that the fund should not be compared to a bank or building society account. That was remarkable, considering it had been provided with evidence of wrongdoing. In the light of that evidence, it is difficult not to argue that a stronger warning should have been provided to investors by the FSA.

**Mims Davies** (Eastleigh) (Con): Does my hon. Friend agree that many of our constituents have waited a long time for this investigation, despite the whistleblowers? This debate provides an excellent opportunity for us to urge the Financial Conduct Authority to set out a clear timescale. It is only right and proper that full clarity should be given to all our constituents—we can see the large number of Members present in the Chamber tonight—about the scope, nature and timing of this full and much needed investigation.

**Guto Bebb:** Absolutely. My hon. Friend has just covered part of my speech very well, and I agree entirely with her comments.

Despite the warnings, and the acknowledgment of those warnings by a note that was issued on the FSA's website, money was still being invested in the fund for a further 10 months. That is scandalous.

**Mrs Cheryl Gillan** (Chesham and Amersham) (Con): I congratulate my hon. Friend on calling this debate. It is obvious that there is interest across the House in this matter. Is not the situation made even more dreadful by the fact that constituents like mine who invested £100,000

[Mrs Cheryl Gillan]

in 2011 did not receive those warnings earlier? One of the financial advisers who advised several people to invest in the fund is based in my constituency. They are now exposed and they want timely and transparent answers from the FCA. Everything seems to have been concealed in this case.

**Guto Bebb:** I am grateful to my right hon. Friend for that intervention. I will come on to the way in which independent financial advisers have been badly treated under the regulatory framework in this regard.

**Bill Wiggin** (North Herefordshire) (Con): Does my hon. Friend agree that the new body, the FCA, is as toothless as ever and that it is more likely to refer people to the ombudsman than to do anything itself? Will he urge the Government to change that?

**Guto Bebb:** I regret that I have to agree with my hon. Friend. The financial ombudsman service is too often seen as an option by the FCA when problems are brought to its attention. Unfortunately, I also have some comments to make on the performance of the ombudsman in relation to this issue.

**Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): I am extremely grateful to the hon. Gentleman for calling this debate. It is unacceptable that people such as my constituent Paramjit Tank, whose family invested some £60,000 in the fund over three years, do not know what has happened to their money. Whatever authorities we have set up, those people are in limbo. Their money has gone and they do not know what is going to happen next.

**Guto Bebb:** The hon. Lady speaks for all of us in this regard, and the constituents who are the worst affected are often old and vulnerable and have invested their life savings in the scheme. I share her concerns.

In March 2012, the fund was finally suspended. It is important to point out, however, that more than half the investment in the fund was invested after the original warnings had been given to the FSA. That issue needs to be addressed. The fund went into administration in May 2012 and finally entered liquidation in December 2012.

When I first came across this matter through my constituency casework, most interested parties and stakeholders were complaining that the FSA—and subsequently the FCA—were unresponsive to their concerns. However, that situation appeared to change following the establishment of the all-party parliamentary group on the Connaught Income Fund. At its first meeting in July 2014, the FCA's director of supervision, Linda Woodall, announced unilaterally that the FCA would facilitate negotiations between the liquidators of the fund and the former operators of the fund, Blue Gate and Capita. This was not a perfect solution, but it offered the hope that some redress and compensation would be offered to investors. That commitment was made during the APPG meeting, but again a question arises: given that a warning was made by a whistleblower so much in advance of this fund being suspended, should the FCA be looking not just at contributions

towards compensation from the operators of the fund, but at itself? Did the FCA owe the investors a duty of care?

**Mrs Caroline Spelman** (Meriden) (Con): As a member of the APPG, will my hon. Friend say how concerning it is that there has been no communication from the FCA since March 2015? This long period of anxiety for our constituents is what is really troubling so many of us.

**Guto Bebb:** As the chair of the APPG, I have felt extremely frustrated when Conservative and Opposition Members have asked me for an update, as I am unable to offer one, because there is nothing to be said.

**Dame Angela Watkinson** (Hornchurch and Upminster) (Con): I, like most colleagues here, have had correspondence with constituents who have lost considerable amounts of savings, with this often changing the direction of their lives as the amounts are so significant. Does my hon. Friend share my hope that the strength of feeling being shown in this Chamber today will force some urgency to be put into finding a solution to this?

**Guto Bebb:** Again, I fully agree with my hon. Friend's comments, and I do think that tonight's turnout indicates the concern across the House on this issue. It is important to point out again that the proposed mediation was described as the fastest way of getting some compensation to investors, which is why the APPG welcomed it, although with some reservations. A deadline date of 31 October 2014 was offered for the completion of that mediation. Subsequently, in November 2014 the FCA announced a new date of the end of January 2015, and then in January 2015 it announced a new date of the end of March.

On 9 March 2015, I was asked to meet Martin Wheatley, the now former chief executive of the FCA, in Portcullis House, where I was informed that the FCA was withdrawing from the mediation process—that was announced the following day. Again, the decision was unilateral. In effect, the decision to go for mediation was a unilateral one made by the FCA without consulting other stakeholders, as was the decision to end the mediation. As chair of the APPG, I think it essential that the FCA explains why it took those decisions. It needs to explain why it thought it was better to end the mediation rather than continue with a method of dealing with this issue that it had claimed would be the most effective way to proceed.

**John Glen** (Salisbury) (Con): My hon. Friend is getting to the crux of the matter. For an organisation that many of our constituents see as being an appropriate regulator and an arbiter of what should happen, this lack of accountability is totally unacceptable. The number of vulnerable people who are reliant on this organisation to act wisely means that it is outrageous that this situation is allowed to continue. Does he agree that urgent action needs to be taken by the Minister to ensure that the FCA steps up to the mark immediately?

**Guto Bebb:** I agree entirely with my hon. Friend, who has been a firm supporter of the APPG since its establishment. He makes the point we wish to make: we might be annoyed that the all-party group has not been

kept informed, but we should be outraged that the investors and the stakeholders involved in the fund have also been treated with such disrespect.

**Alex Chalk** (Cheltenham) (Con): May I declare an interest, Mr Speaker? As a barrister, I was instructed by the FCA to prosecute serious Ponzi fraud. I agree with my hon. Friend that this is about clarity and certainty; it is only by being clear that the investigation is being concluded that investors who have been left in limbo can get the certainty they deserve.

**Guto Bebb**: Again, I fully endorse those comments. We are in this House this evening almost giving a cry for help to the Minister, where the all-party group and Members of Parliament have failed to deliver on behalf of their constituents. I sincerely hope that she can intervene and ensure that at least a degree of clarity is offered.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): I wish to raise a wider issue. Unregulated collective investment schemes are not permitted to be marketed to the general public, as one would expect, but does the hon. Gentleman not agree that this needs proper enforcement and that it may not always take place?

**Guto Bebb**: That is a point that I subscribe to and agree with, and it should be considered in due course.

The questions that I have for the Minister are pretty clear. First, in view of the FCA's recent decision to cancel its proposed review of banking standards and culture, can we have a guarantee that the investigation will be completed by the FCA? Many people affected by this issue have contacted me, expressing their concern that, in view of the delays and the lack of information from the FCA, the review will be completed.

Secondly, the FCA unilaterally withdrew from the mediation process, without any consultation with stakeholders or investors. Can the Minister assure us that the FCA will, upon completion of its investigations, publicly justify its decision to curtail the process of mediation and the subsequent delay in compensation and redress?

Thirdly, it has also been implied that the reason for curtailing the mediation process was a result of a realisation within the FCA that the financial compensation on offer from the mediation process would not be sufficient. Is that the case? As we have had no clarity or confirmation that that is the case, will the Minister give us some assurances on the matter? If it is not the case, will the FCA be able to explain why it therefore curtailed the mediation?

**Liz McInnes** (Heywood and Middleton) (Lab): I wish to add my voice to those of other hon. Members who have expressed concerns on behalf of their constituents. I also wish to express the request of my constituent Mel Carney, who says:

"I have already waited over three years to learn what has happened to my money."

He is asking for transparency from the FCA and for the investigation to be concluded in a timely manner.

**Guto Bebb**: The hon. Lady has asked my fourth and fifth questions.

My fourth question is this: 10 months after the mediation was cancelled, are we in a position to get an update from the FCA, and, if we are, how soon can that update be offered?

Finally, we need an end date. We need to know when this investigation will be completed. I ask the Minister to implore the FCA to provide that information.

**Peter Aldous** (Waveney) (Con): I understand this situation very well. My constituent Charles Rodbourne has lost the bulk of his life savings. This scandal has been going on for seven years now. Will my hon. Friend urge the Minister to do all she can to bring it to a conclusion as swiftly as possible, as so many people across this country are affected?

**Guto Bebb**: I join my hon. Friend in urging the Minister to do just that.

In relation to my five questions, I think that the FCA has hidden behind its claims that, because this is a live investigation, it is not in a position to comment. Will the Minister confirm that there is in fact no statutory reason why the FCA cannot provide a progress report for those who are interested in this issue?

Finally, it is important to address the ongoing concern about the way in which the IFA community is being treated by the regulatory authorities in relation to the Connaught issue. Emails and other information in the public domain imply that the Financial Ombudsman Service, when dealing with complaints about Connaught, is instructing its caseworkers to find against IFAs regardless of the facts of the matter, and indeed regardless of the fact that there is an inquiry and an investigation into possible fraudulent wrongdoing within Connaught in the first instance.

It is entirely appropriate that independent financial advisers should be held to account for any poor advice offered. However, that would demand that each case, or each complaint brought to the FOS, is considered on merit. The instructions to FOS officials to ignore such evidence of wrongdoing and the on-going investigation into what happened in Connaught makes it very difficult for us to have any confidence in the decisions made by FOS in relation to complaints against individual IFAs.

I understand the need to ensure that both the FOS and the FCA operate independently of each other. However, is it too much to ask that they at least consider each other's actions before making decisions that are clearly based upon only a partial understanding of the facts?

**Ruth Cadbury** (Brentford and Isleworth) (Lab): I congratulate the hon. Gentleman on securing this debate, because I, too, have constituents who have been affected by this matter, including Anna Hughes who lost 90% of her investment and three years of interest. Is it not right that our constituents who have been affected by the Connaught scheme should have confidence not only in the process of investigation and resolution on this issue, but in the financial system and in the belief that their investments are safe wherever they put them?

**Guto Bebb**: Again, I would agree with those comments.

If blanket decisions are being made on the basis of rules that do not take into account individual cases, I

[Guto Bebb]

ask the Minister to ask whether the FOS and the FCA are acting properly and fairly as regards their duty of care towards independent financial advisers. The debate has shown, if nothing else, that there is a degree of concern across the House. I apologise to the Minister for having over-extended my allotted time, and I will therefore sit down and allow her to answer some of the very important questions that have been raised by colleagues.

7.30 pm

**The Economic Secretary to the Treasury (Harriett Baldwin):** I congratulate my hon. Friend the Member for Aberconwy (Guto Bebb) on securing this debate, chairing the all-party group and raising the serious issues concerning the Connaught Income Fund. His constituents and, clearly, those of many other colleagues have been seriously affected by this event and have written to me many times.

Many investors have lost substantial sums and, indeed, sometimes their life savings as a result of the events involving the Connaught funds. I am very much aware that that has caused real hardship for people across the country. It is important that the FCA and the all-party group get to the bottom of this matter and try to secure the best outcome for investors in these funds. Those who are responsible should face justice for their actions. It is equally important that steps are taken to ensure that this situation does not arise again in the future.

I reassure my hon. Friend and all other Members that the Financial Conduct Authority takes this matter extremely seriously.

**Kirsten Oswald** *rose*—

**Harriett Baldwin:** Given the lack of time, I will make a bit of progress. If I have time, I will come back to the hon. Lady.

The FCA also knows that what happened with the Connaught funds has caused serious distress to many investors and continues to work closely on this case to secure the best possible outcome. As my hon. Friend the Member for Aberconwy said, the Connaught funds comprised three separate funds, income series 1, series 2 and series 3. In total, approximately £147 million was invested in the funds, which, as we know, were unregulated collective investment schemes. By definition, such schemes are not subject to direct regulation by the FCA or, previously, by the Financial Services Authority.

In the case of Connaught investment funds, many of the usual protections and safeguards that protect investors in regulated funds were absent, owing to the unregulated nature of some of the entities involved. On this point, I want to touch on two main issues. The first concerns the actions taken by the FCA to try to protect consumers, despite most of the entities involved being unregulated. That includes the ongoing work to secure a fair and proper outcome for investors. The second involves the steps that can be taken to ensure that this sort of situation does not happen again.

First, despite the schemes being unregulated, the FCA has taken a number of significant steps to try to protect customers right from when the first problems arose. In May 2011, the FCA, which was at the time the

FSA, altered Tiuta's permissions on issuing new regulated mortgage lending. Shortly thereafter, it wrote to investors who might have been mis-sold the fund and all financial advisers who sold the fund, asking them to review the sales and to contact customers where there may have been the risk of unsuitable advice. The FCA has continued to provide updates on the situation via its website. Once the funds were suspended and steps were taken to wind them down, the FCA announced on 16 July 2014 that it would support a negotiated settlement to address investor losses.

As hon. Members may know, the FCA initially supported the negotiations between the parties involved, as it believed that doing so was in the best interests of investors. However, having extended the negotiations more than once, in March 2015 the FCA announced its decision to withdraw from them. The FCA decided that a further extension to the negotiation period was not in the best interests of investors. I am sure my hon. Friend will understand that as the negotiations were voluntary and confidential, the FCA cannot provide specific details on what happened during the negotiations.

**Mr David Hanson** (Delyn) (Lab): Will the Minister give way?

**Harriett Baldwin:** I have so little time.

The FCA is now conducting formal investigations into the activities of the two operators of the fund, Capita Financial Managers Ltd and Blue Gate Capital Ltd. My hon. Friend questions the length of time that the FCA is likely to take in order to conduct and conclude its investigations. Although it is too early to give a reliable estimate of the likely time frame for their conclusion, the FCA has assured me that it intends to progress the investigations efficiently and effectively. The length of time it will take to complete the investigations is affected by, among other things, the level of co-operation received from those under investigation and any related third parties.

As the FCA is in the process of carrying out its investigations it is, of course, not possible to comment on their likely outcome. The FCA is unable to provide any comment on what the level or form of compensation to investors may be if it is found that the operators have contravened any regulatory principles or rules.

**Mr David Nuttall** (Bury North) (Con): Will my hon. Friend please give way?

**Harriett Baldwin:** I have so little time, but I will try to make progress and then give way.

The FCA is an independent, non-governmental body, so I am sure my hon. Friend the Member for Aberconwy will agree that for me to interfere in its investigations in any way would not be appropriate.

My hon. Friend raised the question of whether the Financial Ombudsman Service has indicated a pre-determination to find against independent financial advisers, regardless of the allegations of fraudulent behaviour within the fund. It is important to note that like the FCA, the Financial Ombudsman Service is an independent, non-governmental body. It provides an independent dispute resolution service for consumers with individual complaints against financial services companies. In view of this independence, it would not



be appropriate for the Government to comment or intervene in the Financial Ombudsman Service's work on complaints against advisers who sold the Connaught Income Fund.

However, although I cannot provide comment on these details of these investigations, I am assured that the FCA has put considerable resources, time and effort into trying to achieve a good outcome for the investors affected by the failure of the fund, and that it continues to act in the best interests of the investors.

**Mary Robinson** (Cheadle) (Con): Will my hon. Friend give way?

**Harriett Baldwin:** I shall give way to the hon. Member for East Renfrewshire (Kirsten Oswald) first.

**Kirsten Oswald:** I am grateful to the hon. Lady for giving way. In response to a written question I was referred to the record of ministerial meetings to find out when a Treasury Minister last met representatives of the FCA. Does the Minister understand my astonishment at finding not a single bilateral meeting between the Treasury at ministerial level and the FCA in the two years from October 2013 to September 2015? Does she appreciate that her Government seem to be asleep at the wheel as the FCA fails to clean up the financial services sector?

**Harriett Baldwin:** The hon. Lady has been assiduous in tabling a number of parliamentary questions. I think I am right in saying that they have been put on the record in the Library. I encourage other hon. Members to have a look and see the record that she has managed to get from the FCA in writing.

I am sure that other hon. Members who have constituents who have suffered losses in the Connaught Income Fund will welcome the reassurance that the FCA is doing its utmost to secure the best possible outcome for investors, and that they will support the FCA in its current investigations.

**Mr Nuttall:** I appreciate that the Minister does not want to comment, but given the strength of feeling this evening, will she please pick up the phone in the morning to Tracey McDermott, the interim head of the FCA,

and make it absolutely clear that we want some action on behalf of our constituents and we want this matter sorted out now?

**Harriett Baldwin:** I am sure my hon. Friend would not want me to interfere in a number of different FCA matters, but I am quite sure that the FCA will have seen the strength of feeling in the Chamber this evening.

I have one minute left so I will take a quick intervention.

**Mary Robinson:** I am grateful to my hon. Friend. Does she agree that at the heart of this are many elderly people who have done the right thing all their lives, saved for their retirement and gone, like my constituents, to an IFA, and now it is time for the FCA to do the right thing for them?

**Harriett Baldwin:** There clearly is a lot to investigate in this case. As I said, the FCA is doing its utmost to secure the best possible outcome for investors.

I would like to reassure hon. Members about the steps that have been taken to ensure that this situation does not occur again. The FCA has brought in new rules banning the promotion of unregulated collective investment schemes to ordinary retail investors. Independent financial advisers should not be selling unregulated investment schemes to retail investors. The circumstances in which unregulated schemes can be promoted to consumers are generally restricted to certain types of qualifying investors, such as those who have a high level of understanding about investments, or high net worth individuals, for whom those products are likely to be more suitable. That is an important step to take in ensuring that such a situation does not occur in the future.

I thank my hon. Friend the Member for Aberconwy once again for raising these important issues. His all-party group plays an incredibly important role in the parliamentary scrutiny of what the FCA is investigating, and I hope we can move forward and secure redress for his constituents and others.

*Question put and agreed to.*

7.40 pm

*House adjourned.*



## Westminster Hall

Tuesday 12 January 2016

[NADINE DORRIES *in the Chair*]

### Global Fund to Fight AIDS, TB and Malaria

9.30 am

**Nick Herbert** (Arundel and South Downs) (Con): I beg to move,

That this House has considered the Global fund to fight AIDS, TB and malaria.

The debate was chosen by the Backbench Business Committee after a submission by the chairs of three all-party parliamentary groups. I have the privilege to co-chair the APPG on tuberculosis; and my hon. Friend the Member for Finchley and Golders Green (Mike Freer), who chairs the APPG on HIV and AIDS, and my hon. Friend the Member for Stafford (Jeremy Lefroy), who chairs the APPG on malaria and neglected tropical diseases, are here today because we are concerned to ensure that there is a continuing fight against three diseases that between them have accounted for, and continue to account for, millions of deaths every single year.

I would like to start by talking about the continuing need to fight these diseases, focusing particularly on tuberculosis, because that is the disease in which I have a particular interest. It continues to kill 1.5 million people every year in spite of the fact that the millennium development goal to halt and reverse the spread of the disease, as well as of HIV and malaria, by 2015, was met, with the prevalence of tuberculosis having halved.

Tuberculosis continues to kill a very large number of people every year. Indeed, the latest figures published by the World Health Organisation indicate that it is now the world's deadliest disease, surpassing the mortality caused by HIV, although there is a significant issue of co-infection in relation to HIV/AIDS. Some 400,000 people a year die of tuberculosis related to AIDS. Despite the huge progress that has been made on AIDS—progress, however, that did not meet the millennium development goal—the disease continues to kill 1.2 million people a year, and despite the great progress on malaria, it continues to kill 600,000 people a year.

The first point to make is that despite the global effort to counter these dreadful diseases, they remain very significant killers, and continuing action will be needed if they are to be eliminated. It was a fine thing that the world came together in September to agree the new sustainable development goals to replace the millennium development goals, and that objective 3.3 of those goals is to end the three diseases by 2030—in just 15 years' time. However, the current trajectory of tuberculosis suggests that we will not end the disease in 15 years' time. We will end it in 200 years' time, which means that there will continue to be a large number of deaths every year, and indeed an ongoing cost, unless we take firmer action now to beat the disease.

The second reason why it is important to tackle the diseases in question, quite apart from the humanitarian cost, the loss of life and the suffering caused, is that their prevalence has an impact on economic growth.

If we want to see the economic development of countries—the continuing development of middle-income countries and the acceleration of development in lower-income countries—it is essential to ensure that there is a healthy population, and it is a condition of economic growth that the population can work and has access to healthcare. These diseases place a burden on the population that impedes economic growth. The circle that needs to be squared is how we support countries in the development of their health systems to produce a healthy population that, in turn, helps to generate economic growth.

The third reason why it is important to tackle these diseases is on the grounds of what one might describe as broader security. For instance, we see the growing risk of drug resistance in the case of tuberculosis, which is a transmissible disease that is easily carried and spread—a disease that knows no borders. The growing risk of drug resistance is linked to the old-fashioned regimes used to treat tuberculosis and to the fact that there has not been a sufficient focus on drug development since the disease resurged. That poses a risk not just to the countries involved but to countries around the world.

The UK Government have taken particular interest in drug resistance. The Prime Minister has led a focus on it through the antimicrobial resistance review, which is chaired by Lord O'Neill. The threat of drug resistance poses a huge risk to the global economy, amounting to billions of pounds of potential cost. By 2050, about a quarter of that cost might be incurred due to drug-resistant tuberculosis if we do not take action.

On all three grounds—humanitarian, economic growth and security—there is an argument for continuing action to tackle these terrible diseases. The question, then, is what the right mechanism to do so is. More than a decade ago, the world came together in the belief that it was important to set up a new means of fighting them. What was then described as a “massive effort” was launched under the auspices of the United Nations, and it became the Global Fund to Fight AIDS, Tuberculosis and Malaria.

In the 10 years that followed the launch of the Global Fund in 2002, the world's economies have committed more than \$22 billion to the fund. In turn, it has developed 1,000 programmes in more than 150 countries to tackle these diseases. The Global Fund now estimates that since its inception, it has saved 17 million lives and is on course to have saved some 22 million lives by the end of the year. That is more than 2 million lives saved annually as a consequence of the effort that was put in place in 2002 under the Global Fund. It has put more than 8 million people on antiretroviral treatment for HIV and treated more than 13 million people for tuberculosis and more than half a billion people for malaria—a quite staggering effort. As a consequence, it has contributed to a decline of a third in the deaths from these three diseases in the countries where it operates.

The importance of the fund to beating these diseases is illustrated particularly in the case of tuberculosis. The Global Fund provides three quarters of the funds that are committed to beating TB globally. In the absence of the Global Fund and its continuing ability to raise resources to beat TB, how would we continue to ensure that resources were deployed to beat this terrible disease, particularly given the ambition in the sustainable development goals to eliminate it in just 15 years?

[Nick Herbert]

The first reason why the Global Fund is the right mechanism to continue to tackle the diseases is that it is an established organisation that has experience in marshalling the resources that are needed. The second is that it encapsulates the important principle of partnership between donor countries—western countries with sufficient resources to contribute to the fight against these diseases—the Governments of the countries affected and civil society and the private sector.

The principle upon which the Global Fund was established is that it does not implement programmes to beat these diseases itself. It provides funding for those programmes and presides over them, but the ownership of the programmes is vested in the countries affected. The fund helps to mobilise and unlock domestic resources in the high-burden countries themselves. The principle of partnership between donor countries and the affected countries, and partnership among those who have a role to play in beating these diseases, is incredibly important and underpins the whole of the Global Fund's work.

The third reason why the Global Fund is the right mechanism to continue this work is its accountability. It is clearly immensely important to the public's view of international development money that it is spent properly, with accountability and transparency so that we know that resources are deployed properly. It has been a key principle of the Global Fund since its inception that there should be proper accountability in what was described at the beginning as a programme of "tough love" to ensure that the affected countries themselves are contributing to beating these diseases.

Fraud has surfaced over the life of the Global Fund, and I think it is true to say that the fund revealed most of those instances itself. They are part of the problem that any international aid agency has when it operates in countries where fraud can be a problem. The fund's accountability mechanisms, which have been strengthened, are part of how we will address such issues. Some of the ongoing media criticism of the Global Fund has been misplaced. There is a misunderstanding of the fund's success in ensuring that resources are implemented properly.

What are the issues for the Global Fund going forward? The fund is an immensely important mechanism in the fight against these diseases, but it has always been beset by external challenges. The terrible tragedy of 9/11 diverted the world's attention from the need to maintain support for the Global Fund, and then the world financial crisis severely affected the willingness of donor countries to contribute. Some of the most important contributors to the Global Fund—relatively wealthy western countries—have faced a challenge to their own finances and have scaled back their commitment to the fund. That is a serious mistake for the west to make, despite the great challenges that every country faces because of the downturn. It remains important to continue to invest in beating these diseases, for the reasons that I have set out.

We now enter the replenishment phase that the Global Fund goes through every three years. It estimates that the combined external funding required to beat the three diseases, in line with the sustainable development goals, will be a staggering \$97 billion over the next three years, 2017 to 2019. Those resources will be provided by the affected countries themselves and the countries that will be contributing to the fund. That requires the

Global Fund to raise some \$13 billion over the period, which is slightly less than the \$15 billion that it was proposed the fund would raise in the last replenishment period, but it should be noted that the fund did not raise sufficient resources to meet that target. The fund estimates that that additional resourcing over the three-year period will save another 8 million lives, avert up to 300 million new infections and, crucially, support \$41 billion of domestic investment, which represents an increased rate of growth. It will generate economic growth of some \$290 billion, which underlines my point that such investment in beating these diseases ultimately does not impose a cost on the economies that are required to find the money; it actually helps to generate economic growth.

The UK has a proud record of supporting the Global Fund. In particular, the UK contributed up to £1 billion over the last three-year replenishment period, which made it the third largest contributor among donor countries. That was made possible by the Government's commitment to meeting the international target of spending 0.7% of gross national income on international development, at a time when other countries have scaled back their spending. However, it would be helpful if the Minister responded to some points about how the Government made their commitment.

First, some conditionality was placed on the investment, so that only if other countries raised a certain amount of money would the full UK commitment be met. There is a question about whether that really produces an incentive for countries to fulfil their contribution or whether the real effect is simply to reduce the UK's intended commitment. I hope the Government will consider that closely when they review their commitment for the next cycle. For all the reasons that I have set out, I hope the Government will now consider making a similarly significant investment in the Global Fund going forward. We are talking about substantial sums, and they should not be committed lightly. The Government need to assure themselves that the money is being spent properly, and it is encouraging that the Department for International Development's 2011 multilateral aid review, and its 2013 update, assessed the Global Fund as providing very good value for money. Other studies have underlined the effectiveness of how the Global Fund spends its resources.

If the world community's support for the Global Fund were scaled back, it would raise serious questions about whether we mean what we say when we sign up to international agreements to beat diseases such as HIV/AIDS and malaria. There is no point in the world coming together and setting an ambitious target to eliminate such diseases in 15 years if those targets are not only not met but not met by a country mile. That would undermine the whole process of international agreement that brings countries together to say, "We will work together to tackle these diseases." It would place the sustainable development goals in a different position from the millennium development goals, which, at least in part, were met in relation to the diseases in question. There would be an ongoing humanitarian cost, as lives would be lost. There would be a continuing risk of the development of drug resistance, which would not be addressed properly. In relation to diseases such as TB, it would raise the question, "If the Global Fund, the principal agent by which this disease will be tackled, does not have the resources to do so, where are those resources going to come from?"

The UK Government are doing a great deal to fight these diseases in addition to their Global Fund commitment, and I was delighted by the Chancellor's announcement in the autumn statement of the Ross fund, which, in partnership with the Bill & Melinda Gates Foundation, will ensure that £1 billion is invested over a three-year period in a new fund to develop the new drugs and vaccines that will be needed to address the world's deadliest diseases, including malaria and tuberculosis. That is exactly the kind of focus that we need on new tools to beat those diseases. Only if such new tools are developed will the diseases be tackled properly, particularly tuberculosis, so that is immensely welcome.

However, I want the Government to appreciate that unless they and their fellow major donors continue to contribute to the fund, the progress that we have made in beating diseases such as tuberculosis, which has already been too slow, will fall further behind target. That would be a serious matter, which is why this debate is so important, coming at the point when the new round of replenishment is being considered. It is why voices are needed to discuss the value of Britain's international aid contribution and the importance of investing in the global fund. Of course there are issues to discuss about the fund's effectiveness and operation, and other Members might discuss them, but the overall picture is that it has made a vital contribution to saving millions of lives. If we want to continue to do so and to beat these diseases once and for all, it is essential that Britain maintains its contribution to the Global Fund.

**Several hon. Members** *rose*—

**Nadine Dorries (in the Chair):** Order. If I put a four-minute time limit on speeches and there are no interventions, we will still not have enough time to get everyone in. I will start the list of speakers and go in the order in which Members submitted their request to speak. If those speaking keep their contributions short, we will be able to get everybody in. I will set a time limit of three and a half minutes, and if everyone is brief and no one intervenes, we might make it. Without wasting any time, I call Pauline Latham.

9.51 am

**Pauline Latham** (Mid Derbyshire) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries, for the first time not just during this Parliament but since I have been here. I congratulate my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) and colleagues on securing the debate, because the issue is incredibly important at this time. He talked about the generalities of the funding, but I will focus on a specific case, because although the Global Fund is fantastic, its eyes and ears cannot be on every single problem in the world.

I recently returned from northern Uganda, where I visited Gulu and Pajule in Pader, which are experiencing a huge problem with a malaria epidemic. Even the in-country director of the Malaria Consortium, the organisation I travelled with, was shocked at the level and scale of it. Women and children are dying in huge numbers, including babies aborted and stillborn during pregnancy after their mothers contracted malaria. Hospitals there are completely overwhelmed. The best hospital that I visited—the Lacor hospital, a private, non-profit Ugandan hospital whose mission is to guarantee affordable

medical services, particularly to the most needy—was admitting up to 500 children into a 100-bed area, meaning that children were sleeping three or four to a bed and under the bed. Their parents were there as well. It is causing huge problems.

That is a really good hospital: it has bedsheets, which are pretty rare in many hospitals there. I saw one child of about three who was fitting badly due to cerebral malaria. I suspect that that child is no longer alive. The mother and other mothers were all attending around the bed, plus the doctors and nurses. That institution is doing the best that it can in incredibly difficult circumstances. Another hospital I visited, a state hospital, had no bed nets or sheets, and the mattresses were so decrepit that no one over here would put a dog on one, never mind lie on it themselves. Most facilities that I saw had no water. How can anybody recover when basic hygiene is not available to the doctors and nurses?

There are also huge pressures on hospitals when families go there too, because they must feed the families as well as feeding and looking after the patients. There is no patient confidentiality, because the patients' families are there, and when patients are three to a bed, other families listen in as well, but the doctors and nurses say that they desperately need the families to come, because they do not have sufficient staff. It seems to me that the system in Uganda is failing to provide adequate healthcare.

Wherever we went and whatever health facility we visited, the statistics were the same, because spraying had stopped. Residual indoor spraying stops the epidemic, which has now gone through the roof. In one place, the number of cases had decreased to 33 a month by last April, but by May, it had rocketed to 1,500. No health facility, however well prepared, could cope with such a jump. Stock-outs of drugs are not unusual. The director-general of health told us that there was no problem, but she was discussing statistics that were a year out of date.

Hospitals treat 100% of patients with fever in malaria-type facilities, despite the fact that probably only 85% of them actually have malaria, which is not helping the issue of drug resistance. The problem is that drugs are funded, but diagnostic tests are not.

**Nadine Dorries (in the Chair):** Order. I am sorry, but I must call the next speaker.

9.55 am

**Nic Dakin** (Scunthorpe) (Lab): I am pleased to follow the speeches that we just heard, which set out clearly the need for action to ensure the delivery of sustainable development goal target 3.3 to end AIDS, tuberculosis and malaria. We need the political will to do so, and we are already beginning to see it in this Chamber.

The fund does not implement programmes but raises and invests \$4 billion a year to support programmes run by local experts in communities most in need. Countries therefore take the lead in deciding where and how best to fight disease, as well as how to work with international partners. That enhances countries' ownership and, as the right hon. Member for Arundel and South Downs (Nick Herbert) ably sketched, it increases domestic resource mobilisation through counterpart financing, which is important. I saw for myself on a visit to Cambodia with Results UK how our leadership, through the Global Fund, empowers directors in the countries by allowing them to sort things out themselves. It is a powerful model.

[*Nic Dakin*]

Using a country's health and wealth to determine funding is indicative of the Global Fund's model. It sees health as key to improving economies, and as a country's wealth increases, its reliance on international support should decrease. With that in mind, the UK Government should press the Global Fund board, of which the UK is a member, to introduce a transition strategy to ensure that, when recipient countries move away from the Global Fund, they are still supported sustainably. For example, statistics show that 94% of gene expert diagnostics for TB and two thirds of second-line TB drugs within the World Health Organisation Europe region are provided through the Global Fund. It is imperative that those recipients continue to receive Global Fund support so that people who fall ill have access to diagnosis and treatment.

In short, the Global Fund should remain global, and support should be provided to middle-income countries to transition sustainably. Successive UK Governments have supported the Global Fund, and we can all be extremely proud of that, but the UK kept its contribution during the last replenishment in 2013, hoping that others would respond to the challenge of meeting the target. We have heard from the right hon. Member for Arundel and South Downs that that does not appear to have worked as a strategy, so I hope the UK Government will revisit and reconsider it.

The rationale given for the cap was that it would incentivise others to donate. Ahead of the replenishment, have the Government conducted any assessment of whether it has done so? It has been suggested that the cap has served only to limit our own contribution. The UK Government should commit to that important global initiative, on which so many people's lives rely. That is clear and unambiguous. The Government should take steps other than a cap to ensure contributions by other donors. The UK should maintain its leadership role, continue to show strong support for the Global Fund and push for the \$13 billion ask to be met by making its own substantial contribution, leveraging other donors to invest and expanding the donor base. By doing so, the Minister and his colleagues will show the word leadership that we have shown in the past and match it, which is something of which we can all be proud.

9.59 am

**Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): Thank you, Ms Dorries, for chairing the debate. It is the first time, I think, that I have served under you. I congratulate my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) on securing this incredibly important debate. Before I go any further, I must declare an interest. Last summer I went with Results UK down to Zambia, where we saw for ourselves some of the issues related to HIV and to TB, both of which are important. TB has a tendency to break down the immune system, which makes people much more susceptible to HIV. I am also the chairman of the all-party parliamentary group on Zambia and Malawi, and the vice-chairman of the all-party parliamentary group on Zimbabwe. After visiting Zambia, I went to Zimbabwe to see what was going on there.

To my mind, there are a number of incredibly important issues. Yes, it is vital that we continue to put investment, through the Global Fund, into sorting out some of the health issues, but we also need to concentrate more on education, so that people are in a better position to look after their own economy and sort themselves out. The issue that is about to strike in a big way, I think, is that of famine. I am interested in knowing what the Government plan to do, because we are probably looking at there being some kind of famine in southern Africa, and that matter needs attention as well.

The Global Fund is important and, as members of the all-party group, we saw for ourselves just how important it is that investment is going into hospitals and healthcare units in Zambia. The British Government have been criticised somewhat for putting money into overseas aid development, but I point out that many asylum seekers might have TB. Trying to ensure that we deal with TB at source prevents problems from coming into this country and having an impact on our national health service.

I would be grateful if the Minister could explain the Government strategy for dealing with the potential of famine in southern Africa, so that we can ensure that later this year we do not see on our television screens a mass of starving children and adults.

I am acutely aware that others want to speak, so I will now keep myself to myself.

10.2 am

**Dr Philippa Whitford** (Central Ayrshire) (SNP): I appreciate being called in the debate, Ms Dorries, and I also declare an interest. I remain an ambassador for the Scottish Catholic International Aid Fund—SCIAF.

When I became an ambassador, I got the chance to visit Kenya and Tanzania—back in 2006—before the big change to cheap access to antiretrovirals. I saw people languishing and I saw women in their fifties and sixties looking after the children of their children—sometimes 10 or 11 of them. In my local work I have established a youth group, and through the charity ZamScot we are building a school in a children's centre in Lusaka. The centre rescues young boys who have grown up on the streets as AIDS orphans and sends them to primary school. They have often been on the streets since they were toddlers, and they finally go to school at the age of 12 or 13.

Along with other hon. Members, last autumn I had the opportunity, through Results UK, to visit Ethiopia. People who might have HIV—or even AIDS—are now on antiretrovirals and are looking after their families by taking part in growing their own food. That shows the difference that the world has been able to make by taking the decision to make the drugs available. The decision has transformed sub-Saharan Africa, and it has shown what the world can do when countries get together.

The trip to Ethiopia was about polio, a disease we are close to eliminating. The last remaining area with polio is on the border of Afghanistan and Pakistan. It has taken 30 years to get to that point, but it is incredible to think that polio might disappear in the next few years. Something can be done, and we have to keep on doing it.

The two things that require consideration are, first, the 10% limit, and whether it really leveraged anything or whether diplomatic pressure and sheer embarrassment would be more powerful, and, secondly, the transition in middle-income countries. It is important that such countries get at least a three-year warning and that, in our arrangement with them, we work towards a Government institution taking over. Often, non-governmental organisations do a lot of the work, and as we see ourselves moving towards a transition with a country we need to start pushing it to have proper institutional structures. Some 75% of HIV cases are in middle-income countries, and if we pull back, we will see that change.

In 2013, the United Kingdom stepped up in an incredible way, and we must not take our foot off the gas. It was the structures that had been developed through efforts to eliminate polio that spotted Ebola in west Africa. As the hon. Member for Plymouth, Sutton and Devonport (Oliver Colvile) said, we need to protect ourselves—and not just our NHS—from multi-resistant TB coming in. There are selfish reasons for acting, but we can also develop the world economy, the African economy and the developing economy by allowing countries to have healthier populations.

10.6 am

**Mike Freer** (Finchley and Golders Green) (Con): The latest figures released by UNAIDS show that nearly 16 million people now access antiretroviral therapies—ARTs—compared with fewer than 1 million just 10 years ago. In 2014, there were 2 million new HIV infections, compared with 3.4 million in 2001. That shows progress, but about 22 million people living with HIV still do not access ARTs and an incredible 19 million are simply unaware of their status.

If the aim of ending AIDS as a public health threat by 2030 is to be achieved, the bulk of the progress must be made in the next five years, to bend the curve of the epidemic towards manageable levels. The joint United Nations programme has accepted and released fast-track targets. These are that 90% of people living with HIV know their status, 90% of those people are accessing treatment and 90% of those on treatment are virally suppressed. That would significantly reduce the number of onward transmissions. The challenge of achieving universal access, however, remains ahead of us.

Affordable first-line treatments are available in low-income countries in the form of generic drugs, but those drugs are denied to middle-income countries—MICs. MICs are excluded from licensing deals and are forced to buy drugs at inflated prices, making second and third-line ARTs prohibitively expensive. It is estimated that, by 2020, only 13% of those living with HIV will be found in low-income countries. We will be leaving the rest behind. If international donors, including the UK, continue to scale back bilateral overseas development aid for MICs, we will leave the bulk of people infected with HIV with reduced access to treatment, as the countries we were aiding choose not to fill the gap because the groups that are left vulnerable are either marginalised or criminalised. We are leaving those people high and dry.

Multilaterals such as the Global Fund must be allowed to provide critical bridging finance for MICs. We cannot simply pull out and leave Governments to

fill the gap when we know they will not do so. As countries transition into the middle-income category, we know that we will withdraw, but we must put some form of package in place to support the transition; otherwise we will not be supporting a successful response to the HIV epidemic.

The UK has championed the inclusion of the principle of “no one left behind”, but we are leaving people behind because of our focus on middle-income countries stepping up to the plate—something they are not doing. We have the influence and the money. When we withdraw—for the perfectly legitimate reasons of trying to persuade middle income countries to bridge that gap and step up—we need to ensure that we provide support. Simply withdrawing leaves too many people vulnerable and exposed. I hope the Minister will commit to looking at providing technical support before funding is withdrawn to ensure that programmes do not collapse after withdrawal and that illegal or marginalised groups are not simply left to their own devices.

10.10 am

**Jim Shannon** (Strangford) (DUP): It is a pleasure to speak in this debate, and I congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on securing it for our consideration. As the Democratic Unionist party’s parliamentary spokesperson on health, and someone who has a particular interest in the issue, I think it is always good to come along and make a contribution. The debate is about the Global Fund to Fight AIDS, Tuberculosis and Malaria, but I am ever mindful that in Northern Ireland we have rising numbers of people with HIV, so there is a problem for us at home, too.

Although much progress has been made in responding to the epidemics, the dual impact of HIV and TB continues to be devastating for millions of people and their families. I have had the opportunity to speak to people with HIV and to the HIV and TB organisations. The combination of both diseases is deadly to those who have them. Of the 1.5 million people killed by TB in 2014, 400,000 were HIV-positive. AIDS-related illnesses claimed 1.2 million lives in 2014, including the 400,000 TB deaths among HIV-positive people. Malaria causes hundreds of thousands of deaths every year, predominantly among young children. I congratulate the Government on how they have responded, because they have done many good things, and their support for the Global Fund is essential in reducing those upsetting statistics. The Global Fund can be part of the drive to eradicate the diseases, but it needs help from Governments across the world.

The Global Fund is also asking the private sector for support. That involves the pharmaceutical companies, and perhaps the Minister can give us some thoughts on the partnerships with them and what they mean. I and other Members have been made aware of the issue of out-of-date drugs being sent to the third world, where people have said, “We would not use them, but we will send them over there.” I have some concern about that, which other Members will share. Can the Minister give us some ideas on that?

We are well aware of the tightening of the purse strings and the finances at home, but we need to be able to respond in a positive fashion. Responding to the

[*Jim Shannon*]

Global Fund's call for additional resources, UNAIDS executive director Michel Sidibé said:

"We have to invest additional resources today to end these epidemics, otherwise the deadly trio will claim millions more lives, as well as costing us more in the long run".

The Government and the country need to ensure the future success of the Global Fund, so that it can deliver. That of course will not be free, but the Global Fund plan can work to end the pandemic.

The Global Fund has been successful and is ready to continue its lifesaving work, if funded. The statistics on what has happened so far should encourage us, as should what could happen if the Global Fund had more money. Because of the work of the Global Fund partnership, 17 million lives have been saved globally and 8.1 million people living with HIV and AIDS who would not otherwise receive any treatment are receiving antiretroviral therapy. Some 13.2 million people who would not otherwise have been tested for tuberculosis have been treated and 548 million insecticide-treated nets have been distributed by the Global Fund partnership. Those are some of the things that the Global Fund has been able to do, and it could do more if the opportunity was there.

The Global Fund partnership has been working in Nigeria. The number of Nigerians dying of malaria has declined by 60% since 2000, but every year around 250,000 Nigerian children still die from the disease. If we want to do something for more people that is even better, more effective and more long term, we need to ensure that the Global Fund can continue its work. There is a serious return on investment in the Global Fund, but with more funding the partnership can make even greater strides.

10.14 am

**Stuart Andrew** (Pudsey) (Con): It is a pleasure to serve under your chairmanship, Mrs Dorries. I represent a Leeds constituency and we have suffered a lot with the recent floods. I have had a number of letters and emails from people suggesting that the easy solution would be to cut the funding for international development and to put that money into flood prevention instead, but frankly that is a short-term solution that would not help. I want to see all countries succeeding, and to achieve that, they need healthy populations that can then drive healthy economies. That requires long-term thinking and investment.

While I have been a Member of Parliament, I have had the opportunity to visit a number of countries, and like my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colville) I declare an interest, in that I also went to Zambia in August. The trip was arranged for us to see how the country is addressing serious health challenges, such as TB and HIV. Over the past decade, Zambia has shown strong growth and during the visit we learned that the Government contribution to the health sector has doubled in the past five years, but that the health sector is dependent on other sources of funding, which account for something like 30% to 40% of health spending in that country.

Zambia has a serious AIDS epidemic. Malaria is the leading cause of illness and death. The country has a serious problem with TB, with the risk of co-infection

with HIV. Zambia is working hard to tackle those things, offering support and education and raising awareness among those suffering with those illnesses. In 2014, some 64,000 Zambians developed TB, which is a rate of 406 per 100,000. In this country, the rate is 12 per 100,000. That gives us an idea of the scale of the problem they are facing, but they are making great progress.

Two visits particularly stuck in my mind. One was with a young health adviser in a village. His name was Elias. He dressed up smartly for us: he was wearing a waistcoat and tie while we all frankly looked like scruffs. He was educating villagers on the basic standards of living, so that they reduced the risks of infection. The other most notable visit was to the St Luke's mission hospital in Chongwe district. It receives funding from the Global Fund and is set in a very rural location. We were told that a man had walked for two days with his son to get to the hospital, but sadly got there too late. That shows how far these people have to travel to get the treatments they need. There we met patients who were suffering with TB and HIV, and they were becoming advocates in their communities to address the need for people to get treatment and, more importantly, testing. That is just one example of how much the Global Fund has done.

In Zambia, the Global Fund has diagnosed and treated more than 81,000 TB cases, provided 14 million bed nets and given antiretroviral treatment to some 670,000 people. We should be very proud of what the Global Fund has achieved. It is critical to ensure that healthcare is available to everyone who needs it. It says that the £13 billion it is looking for could generate another £41 billion in additional domestic investments. We have a proud record in supporting international aid, and I hope that when these diseases are eventually eradicated, we as a country can look back and say that we helped to achieve that.

10.18 am

**Kate Osamor** (Edmonton) (Lab/Co-op): I thank the right hon. Member for Arundel and South Downs (Nick Herbert) for bringing this debate to the Chamber. I congratulate him on his thorough and eloquent introduction. He was able to lay out all the pitfalls facing us if we have a cut in the Global Fund.

In the summer of 2015, I was also on the same delegation to Zambia as the hon. Members for Plymouth, Sutton and Devonport (Oliver Colville) and for Pudsey (Stuart Andrew). We went with Results UK. We were able to see at first hand the impact of the Global Fund and the importance of continuing to push to address global health challenges, including infectious diseases.

According to the World Health Organisation, 64,000 Zambians developed TB in 2014. That includes a high level of TB and HIV co-infection, with an estimated 38,000 TB cases reported among people living with HIV. The Zambian Government's contribution to the health sector doubled between 2011 and 2014. Unfortunately, they rely heavily on external resources, which account for between 30% and 40% of health expenditure in recent years.

On the delegation, I was able to see at first hand the positive impact that the Global Fund has had on healthcare in Zambia. I, too, visited St Luke's mission hospital in the Chongwe district, which has received Global Fund



grants, and was able to speak to patients who had undergone and lived through treatment for HIV and TB. They had become confident advocates, and were proud to be able to stand with us and eat with us, and to explain to us how their lives were before the hospital's intervention. I know how important the Global Fund is in transforming people's lives and making a difference to those people in Zambia. Overall, Global Fund-financed projects have treated more than 81,000 new cases of TB, distributed more than 14 million bed nets to protect families from the transmission of malaria, and provided antiretroviral treatment to more than 600,000 people with HIV living in Zambia.

I call on the Government and the Minister to end the cap and push for the 2017-19 proposed investment contribution of £13 billion to be met through both our contributions and those of others'. If it is not, I am concerned that all the great work that has been done in places such as Zambia will be eroded.

10.21 am

**Jeremy Lefroy** (Stafford) (Con): I thank my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) for his eloquent speech and for setting out the case so strongly. I declare an interest as a trustee of the Liverpool School of Tropical Medicine, and I have previously done work on artemisinin.

The impact of the Global Fund cannot be underestimated. Since its inauguration, we have seen for malaria alone a reduction in deaths of at least 48%, most of them among children. It is largely through the Global Fund that we have seen the possibility of the mass distribution of insecticide-treated bed nets, which cut in half the chances of children catching malaria. The fund has also supported the use of rapid diagnostic tests, which have made rapid diagnosis possible in rural areas for pretty much the first time. Malaria treatment can therefore begin quickly, before the disease has taken hold.

Five hundred and fifteen million treatments for malaria have been provided, largely of the effective artemisinin-based combination therapies, which were previously much too expensive for most people. The Global Fund has without doubt helped to transform the global malaria situation from one that was becoming out of control in sub-Saharan Africa in the 1990s, to the current situation, where we are speaking with some confidence of elimination—indeed, several countries have become malaria-free.

There have, of course, been problems. The misuse of funds and tools—such as bed nets—and poorly implemented programmes have hit the headlines. However, the Global Fund has always taken such problems seriously and taken action to remedy them. The question is whether the fund is the best way to tackle these diseases in future, and if so, what it needs to change to become even more effective. I am certain that it has a vital role to play. As my right hon. Friend the Member for Arundel and South Downs said, one of the strongest arguments is that it funds programmes developed by the affected countries themselves. Aid-funded programmes have often been criticised for being the pet projects of the donors without reference to those who are supposed to benefit. The Global Fund takes the opposite approach.

It is important that the Global Fund looks hard at how it operates. I shall mention very briefly four things that it should look at. First, it could do more to ensure that its programmes are fully integrated into the health

systems of the countries that it supports and strengthens. I would have much more to say on that, but there is not enough time. I would be very happy to speak to my hon. Friend the Minister about that on another occasion.

Secondly, the global community needs to consider the case either for a separate fund for neglected tropical diseases or for including such diseases in the work of the Global Fund, with increased funding. Diseases such as lymphatic filariasis, soil-transmitted helminths, trachoma and so on—there are 17 of them in total—affect 1.4 billion people on the planet.

Thirdly, the Global Fund needs to report more regularly and more strongly on the work that it does. I was perplexed that the fund did not respond more strongly to adverse reports in the press last year of malaria bed nets being misused. They were indeed being misused, but it was in only a tiny minority of cases. It is vital that corruption and the diversion of funds are investigated and offenders caught, and the Global Fund does that, as it did in Sierra Leone in 2014. At the same time, it needs constantly to point out just how many lives continue to be saved every year as a result of its work across the three diseases. I would like to see quarterly, not annual, reporting.

Fourthly, the Global Fund needs to keep a very close eye on the fight against resistance to antimalarial drugs and the insecticide on bed nets, and allocate money accordingly. The same goes for multi-drug-resistant TB, which my right hon. Friend the Member for Arundel and South Downs mentioned. If not checked, such resistance threatens the substantial gains made over the past 15 years. The importance of the Global Fund to the battle against malaria cannot be overestimated. We were losing that battle but we are now, I hope, on the winning side.

10.25 am

**Patrick Grady** (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Ms Dorries. I congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on his eloquent opening speech, along with all the chairs of the all-party groups who successfully bid for this debate. Once upon a time I was involved in the campaign for the South Downs national park, and a very beautiful part of the country it is too.

A number of Members have made a lot of excellent points. The importance of the issue to the House is shown by the fact that so many Members wanted to speak. Thanks to your skilful action, Ms Dorries, they have been able to contribute to the debate. I pay tribute to Members for their contributions and for the expertise that they have shown, not least the hon. Member for Stafford (Jeremy Lefroy).

We often hear in Westminster Hall debates, and in political discourse more generally, that any given political change is possible or achievable and all that is lacking is the political will. The Global Fund to Fight AIDS, Tuberculosis and Malaria is a good demonstration of that principle. It was the determination and political will of world leaders to tackle three of the most challenging and infectious diseases of our times, which at that time were killing about 6 million people a year, that led to the establishment of the fund in 2002. As we have heard, in the years since, literally millions of lives have been saved

[Patrick Grady]

by a massive scaling-up of proven responses and the targeting of funds and resources where they are most needed. The fund is an effective model of co-operation between Governments, the private sector, civil society and affected communities, reaching people in more than 140 countries. As we have heard, it is estimated to have saved more than 17 million lives since it was established.

We have heard about the need for the fund, about the human and societal costs of these diseases, and about the downward spiral that they can bring about for international development. Becoming infected with any of them severely limits the life chances of not only the individual affected but their wider family and community, which can be affected by the loss of income of either the individual or others who have to give up work to take on caring responsibilities. Just as on other issues, it is the poorest and most vulnerable and marginalised in society who are most at risk, with women and girls being disproportionately affected, as is sadly too often the case. The means and opportunity to rid the world of these diseases is there, which is why that ambition is reflected in sustainable development goal 3.3. Because of the challenges I have described, the replenishment of the Global Fund is incredibly important.

As we have heard, last year, for the first time, tuberculosis killed more people than HIV/AIDS. Again, it disproportionately affects the poorest in society, because crowded living conditions, poor ventilation and lack of access to clean water and sanitation all contribute to increased susceptibility. Because it affects people with weakened immune systems, it is one of the biggest killers of people with HIV and AIDS. I was particularly struck by the statistic on the progress that is currently being made on TB: it could easily take between 150 and 200 years to get rid of it, rather than the 15-year ambition that the world has set itself. The need for investment is clear.

Despite being so easily preventable, according to the World Health Organisation, malaria claims the life of a child every two minutes. I was not on the trip that many other Members went on, but in a previous life I spent some time living in Malawi, where I saw how prevalent and debilitating the disease could be. I also saw the challenge of providing relatively simple interventions, such as mosquito nets and prophylactic treatments, given what could sometimes be slightly relaxed attitudes. It seemed to me that in parts of Africa malaria was regarded in the same way that we regard the flu: as a bit of a hassle that some medicine and bed rest will sort out. But, like flu, it is a killer. It has become a catch-all term for all kinds of illnesses. Treating malaria is complex, and investment is needed not just in practical things such as the distribution of nets and treatment, but in education and awareness raising.

**Oliver Colvile:** Does the hon. Gentleman recognise that access to clean water through boreholes and the like is also important?

**Patrick Grady:** Absolutely. I mentioned sanitation in the context of TB, but that is true across a range of health interventions. Improving access to water across the whole of sub-Saharan Africa would go a long way

towards tackling not just these diseases but many other challenges. Access to water helps children pay attention in school, for example, so I agree with the hon. Gentleman.

One of the biggest barriers to progress against malaria is drug resistance. If people do not take the complete course of treatment, that helps to build resistance. We must therefore continue to invest in medicine research and development. Providing education and challenging stigma are crucial components in the fight against AIDS. Like TB and malaria, AIDS is an easily preventable disease, yet it continues to have devastating consequences in too many parts of the world. We often hear that HIV is no longer a life sentence in the west—that remarkable achievement is the result of significant investment over many years—but in developing and middle-income countries it remains a killer and, like other diseases, it is a barrier to economic and social progress across society.

The scale of the challenge is clear. I want to echo a number of the questions and points that have been put to the Minister. It would be useful to hear how the Government intend to respond to calls for resources for the fund. What amount are they considering contributing? What timetable have they set for their response? What further opportunities for scrutiny will there be? Will the replenishment be put before us as a statutory instrument? What will the process of disbursement be?

The subject of the cap has been well covered, but I want to re-emphasise some points that have been made. If the Government are prepared to say that they can commit up to £1 billion, the money must be there, so why do they not make those funds available in full? The replenishment request is based on a needs analysis. If the need is not met in full, we risk having an incomplete response, which could cost us and the world more in the long run.

We welcome the announcement of the Ross fund, but it would be useful to know how it will complement the Global Fund's work. I heard for the first time from the right hon. Member for Arundel and South Downs that it is a three-year programme. I did not find that information elsewhere; perhaps I did not read the correct briefings. It would be useful to know what the plans are after that and how the two funds will complement each other.

A number of Members mentioned the need to tackle the spread of diseases in middle-income countries. The UK Government are free to set their own priorities for their international development programme. They announced that 50% of overseas development aid would be spent on fragile states, but they must recognise the Global Fund's expertise and the need for it to be able to target funding effectively to prevent backsliding. My hon. Friend the Member for Central Ayrshire (Dr Whitford) made an important point about transitioning middle-income countries from aid. It would be useful if the Government would commit today not to interfere with Global Fund decisions to support programmes in middle-income countries.

Drug resistance is a challenge in tackling all of these diseases. The Minister will be aware of the World Health Organisation meeting in Geneva in March, which will look at reforming global research and development structures and ways of incentivising the production of pharmaceuticals to meet global health need, rather than simply tackling the most lucrative and profitable diseases, for which medicines can be sold. It would be useful to know whether the Government will take part in that conference.

The Global Fund estimates that meeting its next replenishment target could save up to 8 million lives and prevent 300 million new infections. That level of achievement would put us firmly on the path to meeting the SDG eradication target by 2030. However, a failure to resource the fund properly risks reversing progress, increasing drug resistance in new strains and new areas, and ultimately resulting in more unnecessary loss of life. The Government have a chance to show leadership. I look forward to hearing their response.

10.34 am

**Mike Kane** (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Ms Dorries. Thank you for skilfully fitting in so many contributions into such a short time. I have to declare an interest: like the hon. Member for Glasgow North (Patrick Grady), I did not go on the Zambia trip last year. We have heard incredibly powerful testimonies from the hon. Members for Pudsey (Stuart Andrew), for Central Ayrshire (Dr Whitford) and for Mid Derbyshire (Pauline Latham), and from my hon. Friend the Member for Edmonton (Kate Osamor). The change that we can make as a developed nation helping developing nations is essential, and they have brought real quality to the debate.

I, too, congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on securing this timely debate. I thank him for his leadership on the issue of tuberculosis—he chairs the global caucus on the matter. This debate follows on from the debate on malaria that the hon. Member for Stafford (Jeremy Lefroy) secured in October, so the House has been highly focused on these issues and on the Global Fund. It is incumbent on me to welcome the new International Development Minister to his place and congratulate him on his position.

We all welcome the recently adopted agenda for sustainable development, which will guide international co-operation, including the UK's development co-operation, over the next 15 years. We are entering a new era of efforts to eradicate poverty, foster human wellbeing and protect our planet. It is a universal programme for all people in all countries. As the hon. Member for Finchley and Golders Green (Mike Freer) said, it should leave no one behind. We now have to realise the transformational potential of the agenda.

We are talking about three diseases. In the October debate, the hon. Member for Stafford highlighted the issue of global malaria. Global malaria control is one of the great public health success stories of the past 15 years, but we face substantial challenges, such as the spread of resistance to drugs and insecticides. The prevention of infectious diseases is one of the best uses of aid, as the hon. Member for Pudsey said. It is estimated that if global malaria targets are achieved by 2030, more than 10 million lives will be saved, generating more than \$4 trillion of additional economic output. We know what that kind of output can mean to developing nations.

Through sustained efforts, the tuberculosis mortality rate has nearly halved since 1980. However, as has been said, more than 1.5 million people died from TB in 2014. According to the World Health Organisation's 2015 global tuberculosis report, most of those deaths could have been prevented. The report highlights the need to close the detection and treatment gaps. We want

to get there by 2030, as the right hon. Member for Arundel and South Downs said, not in 200 years. We need to fill the funding shortfalls and develop new diagnostic tools. Through partnerships, Global Fund programmes have detected and treated more than 13.2 million cases of TB.

AIDS is the biggest killer in the world of women of reproduction age and the second biggest killer of adolescents. Some 1.2 million people died of HIV or HIV-related illnesses in 2014, and more than 36 million people live with the virus. Global Fund programmes have enabled 8.1 million people with HIV to access antiretroviral therapy.

The Opposition welcome the establishment of the £1 billion Ross fund, in co-operation with the Gates Foundation. We will hold the Government to account on how that co-operation is going in the months and years ahead. That £1 billion includes a £300 million package on malaria and £115 million to develop new drugs and insecticides for malaria and TB. We also need to support multilateral partners, such as the Global Fund, to fight HIV, AIDS, tuberculosis and malaria. It is essential that we continue to fund that work and build on what has already been done. In particular, we must invest in new vaccines, medicines, insecticides and diagnostic tools.

If we tackle AIDS, TB and malaria, there will be a number of spill-over effects, such as greater productivity and growth, reduced worker and child absenteeism, increased equity and women's empowerment, and improved wellbeing, particularly for vulnerable and marginalised populations. Failure to act could lead to the diseases resurging, leading to increased deaths and lost opportunities for progress and development. The Ebola crisis in west Africa has painfully illustrated the importance of strong public health systems in fighting diseases. The lessons also apply to our efforts to combat AIDS, TB and malaria.

We need to scale up our efforts in combating malaria, to which the hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Scunthorpe (Nic Dakin) alluded. We need to invest more in AIDS and TB research and development, tackling resistance to life-saving medicines and boosting health systems across the world to help bring an end to these terrible diseases.

10.40 am

**The Parliamentary Under-Secretary of State for International Development (Mr Nick Hurd)**: It is a pleasure to serve under your chairmanship for the first time, Ms Dorries. I congratulate you on getting everyone in to speak. I also congratulate all three chairs of the relevant all-party groups, especially my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) who gave a powerful opening speech, on working together to secure this debate. My hon. Friend the Member for Mid Derbyshire (Pauline Latham) was cut off mid-speech because three and a half minutes was not enough for her to articulate the power of what she saw in northern Uganda. She has my commitment to sit down with her and reassure her that the Department and the Global Fund to Fight AIDS, Tuberculosis and Malaria are on that situation.

I thank my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) for raising El Niño. As the topic is not central to this debate, I will

[Mr Nick Hurd]

write to him, but he is quite right to raise it, because in Ethiopia, for example, we are seeing drought conditions that are comparable with 1984. What has changed is the capacity of the domestic Government to manage the situation on behalf of their own people, which has been supported to some degree by our development work over many years.

I am glad that it became clear towards the end of the debate that I was not the only person who had not been to Zambia recently, but it was powerful to hear accounts of how the Global Fund has worked on the ground. I am extremely grateful that this debate is happening now. I am also pleased that so many Members, from both sides of the House and representing all parts of the country, have decided that this is where they want to be this morning, to hold the Government to account and to press ministerial feet to the fire on the future of the Global Fund. I am grateful for that, as it makes my job that bit easier knowing that there is that level of scrutiny and interest inside Parliament.

The debate is extremely timely for several reasons. As many colleagues know, this is an important time because some key decisions, which flow from the spending review, are being taken inside the Department relating to our review of bilateral and multilateral aid programmes, of which the Global Fund is obviously a central piece. As many have said, however, the Global Fund is on the brink of a fifth replenishment, and active discussions between donors and Governments are ongoing. It is therefore an important time to take stock of the progress made through our investments and to think about how we can match resources to need in an even more intelligent way.

What strikes me and what has come through in many of the speeches, and which I had not fully appreciated before taking on this brief, is just what incredible progress our species has made in the face of these dreadful diseases over a relatively short time. We have seen radically improved access to treatment, significantly reducing the number of people dying from HIV, which fell by over a third between 2005 and 2013. There have been dramatic increases in the diagnosis of TB in high-burden countries, saving some 37 million lives since 2000. As my hon. Friend the Member for Stafford (Jeremy Lefroy) brought home so powerfully, global death rates from malaria have almost halved since 2000, saving over 4.3 million lives. As my right hon. Friend the Member for Arundel and South Downs outlined, the Global Fund is a critical part of that success, saving the lives of at least 17 million people who would have died needlessly.

There is no doubt in my mind that the Global Fund is a success. It works. It has made a crucial contribution to the fight against all three diseases. It has been reformed over time and those reforms have strengthened its efficiency and effectiveness. It scores very highly in most independent assessments of transparency, accountability and, critically for us, value for money. It plays an important role in the crucial work of strengthening domestic health systems, although that is challenging to measure. As was shown, the fund has also been an extremely effective catalyst for unlocking domestic resources and really important partnerships that are really the only way forward in bearing down on these diseases and bending the curve, as my hon. Friend the Member for Finchley and Golders Green (Mike Freer) put it so well.

But—it is a big “but”—however amazed and satisfied we can be with the progress so far, we are not where we need to be. I find it chilling that 90 children will have died of malaria and 45 adolescent girls will have been infected with HIV during the course of this 90-minute debate, and that 4,000 people will have died of TB over the course of today. I am sure that everyone here will agree that that is absolutely unacceptable on humanitarian grounds and is undermining everything that we are doing to try to lift people out of poverty and to put economies on a more prosperous path. As was powerfully put by various Members, it also carries a risk to our stability and security, so there are absolutely no grounds for complacency or any suggestion that we should lessen our intensity in this fight.

Malaria is a preventable and treatable disease yet it continues to kill almost half a million people a year, the vast majority of whom are children and pregnant women in Africa. Progress is threatened by drug-resistant malaria and by mosquitoes adapting to the insecticides that we use to treat bed nets. As we have heard, TB is now the leading cause of death, with an estimated 1.5 million people dying and 9.6 million falling ill with TB in 2014. At least one in 10 of those people were also HIV-positive. There is no doubt that drug-resistant TB threatens global health security with only around a quarter of those with the disease diagnosed and treated, meaning that tackling it is both the right thing to do and firmly in our national interest.

HIV continues to be one of the leading causes of death and disability globally, disproportionately affecting the poorest and the most marginalised. Some 22 million people living with HIV still do not have access to treatment. It remains the leading cause of death in women of reproductive age globally and in adolescence in Africa. In 2013, an adolescent girl was infected with HIV every two minutes. In sub-Saharan Africa, she is twice as likely to get HIV as her male peers. Although incredible progress is being made, there is no doubt that this is absolutely not the time to ease up. The Global Fund is central to the global effort to bear down on the diseases. I hope that I have reassured Members that the matter and our evaluation of how effective it is are important to this Government. However, it is our responsibility—I was interested in the various comments about this—to ensure that the fund works even more efficiently and effectively in its next phase, and that the lessons of the last phase are absorbed and understood. I was particularly interested in the points made by my hon. Friend the Member for Stafford and I will be discussing them further with the head of the Global Fund when I meet him shortly.

The central challenge for all of us who are accountable for the money and who care passionately about this agenda is to ensure that resources are directed where they are most needed. There are priorities to set and difficult decisions to take in that context, but we must certainly give priority to countries with the highest burden or risk of disease and the lowest ability to pay for tackling the epidemics on their own. The point was powerfully made by my hon. Friend the Member for Finchley and Golders Green and the hon. Members for Scunthorpe (Nic Dakin) and for Central Ayrshire (Dr Whitford) about the need to ensure that any transitions—in particular for middle-income countries—or movement of resources are managed extremely responsibly.

My hon. Friend has my reassurance that that is very much top of mind in our discussions with donors and other countries.

As my right hon. Friend the Prime Minister remarked at the launch of the global goals in September 2015, we “commit to putting the last first”,  
and to end extreme poverty

“we need to put the poorest, the weakest and the most marginalised first to Leave No One Behind”.

Those words are important to the Department.

How may we ensure that the Global Fund delivers? For HIV it needs to work with young women in Africa, who on average catch HIV between five and seven years earlier than their male peers. For malaria it means ensuring that the children and pregnant women who account for 80% of all malaria deaths have access to bed nets and quick diagnosis and treatment. For TB it means working with people with HIV and harder-to-reach groups, such as migrants and miners, to test and treat them. The Global Fund must use the right interventions, evidence-based tools that we know work, and diagnostics, treatments and tools for prevention.

My hon. Friend the Member for Finchley and Golders Green asked about the need for the UK to finance the most vulnerable in middle-income countries, but the numbers need to be treated with caution. The middle-income country category is very broad, ranging from countries that have just crossed the threshold, such as Zambia, where the GDP per capita is less than \$2,000, to countries such as Malaysia, where the GDP per capita is more than \$11,000, which primarily self-finance their own disease responses. We therefore need to match the solution to the problem. The vast majority of people living with the three diseases are in the first category of middle-income countries—countries that do not yet have the ability to pay for the response to their disease epidemics—and in that context external resources are still needed, so we encourage continued investment by the Global Fund.

In other middle-income countries the issue is willingness to pay, in particular for the marginalised and hard-to-reach groups of people. There the different parts of the health architecture must work together to encourage and enable Governments to step up and take responsibility for the rights of their citizens, which means ensuring that the World Bank works with Governments to build systems that allow them to plan and independently finance their disease responses according to need. It also means encouraging the World Health Organisation to provide technical assistance to help countries develop the most cost-effective way of delivering services as part of a broader health system. It means holding Governments to account to deliver for their most marginalised, not least by working with civil society and partners such as UNAIDS. My key point is that I absolutely understand what my hon. Friend and other colleagues were saying about the need to manage transition responsibly. I hope I have given him some reassurance that we are aware of that and take it seriously.

On intellectual property, my hon. Friend rightly pointed out that the costs of treatment are an important factor in determining a country’s ability to pay for it. The Global Fund supports countries to obtain quality-assured products at the lowest cost. I am pleased to say that in 2014 and 2015 IP restriction was only an issue for

0.5% of the total value of antiretroviral orders made by the Global Fund. We recognise, however, that intellectual property is a very important issue in some cases, which is why the UK also funds the medicines patent pool, which works to address IP blockages related to HIV, and why we are starting to explore TB and support the WHO, the United Nations Development Programme and UNAIDS in working with countries to support them to address their intellectual property issues.

A number of colleagues raised the issue of the UK’s cap in the most recent replenishment. It is important to note that the cap was intended not only to incentivise others, but to ensure that everyone plays an appropriate part in addressing global challenges. To be frank, it is difficult to assess the impact of the cap on other donors; some said—one in particular—that the cap was a factor for them, but we will have to review that in terms of our tactics in relation to the forthcoming replenishment.

I am very proud and many colleagues in the House are extremely proud of the leadership that this country has shown under successive Governments to move the development agenda, to shift gears of ambition, to meet international commitments and to encourage others to step up and meet their responsibilities. We helped to shape the latest round of sustainable development goals. We have been extremely ambitious in the commitments we have made through the new official development assistance strategy, through our manifesto commitments, and on the role that this country intends to play in supporting that ambition with action that will make a difference on the ground. The Global Fund is a key element in the delivery of that strategy.

Colleagues know that because discussions are ongoing, I am absolutely not in a position to front-run any decisions or to make any commitments. That would be something with career implications that I am not prepared to contemplate—

**Kate Osamor:** Be brave!

**Mr Hurd:** I will resist the call to be brave. I hope, however, that I have reassured Members that successful replenishment of the Global Fund, which is about not only the UK’s commitment, but the role we play in encouraging others to step up, is personally important to me and extremely important to the Government. I am grateful to all Members who were present today for putting a spotlight on the Global Fund and on the need for Britain to stay up and to maintain its position of leadership in the world.

10.56 am

**Nick Herbert:** May I make two apologies? First, I apologise to my hon. Friend the Member for Mid Derbyshire (Pauline Latham) and indeed all hon. Members for foreshortening their time: my maths was insufficient and I had not realised the number of people who wished to take part in the debate, so I spoke for too long. That follows on from moving amendments on planning matters at 2 am last week, which added immensely to my popularity with colleagues. Those of us who wear Apple watches know that it is possible to receive electronic reminders when one should be taking more exercise. Perhaps a reminder to shut up when one is speaking for too long would be a useful additional app for someone to develop.

[Nick Herbert]

Secondly, I apologise to the Minister, because I should have welcomed him to his new position. The way in which he responded to the debate confirms the impression that many of us had that it is an ill wind that blows no one any good, and that his appointment and return to Government were immensely welcome, in particular to the Department for International Development. He has a genuine interest in international development matters and speaks with some passion about them. What the Minister said about the importance of the Global Fund and its replenishment to the Government and to him personally was encouraging.

It is important to debate such issues and we had welcome contributions from Members of many parties, in particular on the need to focus on the effectiveness of the Global Fund and the points made by my hon. Friend the Member for Stafford (Jeremy Lefroy). I hope that those points will be taken on board by the excellent director of the Global Fund, Mark Dybul, who has made great efforts to improve its effectiveness. We look forward to further discussion with him as well as with the Government.

A real issue is that of middle-income countries, which affects the Government's international development agenda more broadly—when countries reach a certain income threshold, what is the right role for wealthier countries? We cannot simply step away. Much of the burden of those diseases falls on the middle-income countries and there is a real question about whether they would devote sufficient resources to tackling the diseases. If international bodies such as the Global Fund concentrate on other, lower-income countries, there is an imbalance in the resourcing and the focus is wrong. That is an important debate, which we will need to have.

This has been an excellent debate. I am delighted to tell the Minister that I, too, have been to Zambia, although I am sorry to say that I was not on the trip with my hon. Friends the Members for Plymouth, Sutton and Devonport (Oliver Colvile) and for Pudsey (Stuart Andrew) and the hon. Member for Edmonton (Kate Osamor). I look forward to an opportunity to follow their example in future.

*Question put and agreed to.*

*Resolved,*

That this House has considered the Global fund to fight AIDS, TB and malaria.

## Redhill and Reigate Rail Users

11 am

**Crispin Blunt** (Reigate) (Con): I beg to move,

That this House has considered Redhill and Reigate rail users.

I think this is the first time I have had the pleasure of serving under your chairmanship, Ms Dorries, and it is extremely welcome. I sought the debate on behalf of rail users in my constituency, because quite frankly they are at the end of their tether.

Many colleagues' constituents are also adversely affected by Govia Thameslink Railway's poor performance all along the Brighton main line, but I want to highlight the particular injustice faced by passengers using the Redhill and Reigate routes, who are not only taking the brunt of service reductions and disruptions but uniquely facing disproportionately higher fares. I seek action to rectify that double injustice faced by my constituents, which is a unique strand of the overall performance issues on the line.

When we were here six months ago to debate Southern's performance, following last year's catalogue of misery, I put the Minister on notice that my constituents would expect a meaningful effort to give commuters a decent level of compensation. Since then we have met and corresponded about options to provide reparations and to simplify and reduce fares, but so far we have not found a way through.

I cannot overstate the frustration and anger felt by commuters in my constituency, which is represented by the 3,300 people who signed the petition for Redhill and other stations to Gatwick to be included in Oyster zone 6. That compelling case cannot be ignored any longer.

Let me start with service reductions. The number of morning peak trains from Redhill to London Bridge has been cut from nine to four—a 55% cut. Off-peak trains to London Bridge have been cut by 50%, as have off-peak trains to Crawley and Horsham, and off-peak trains to the south coast have been axed altogether. Journey times have also increased as some trains have been moved across to the slow lines and other fast trains have been removed from the timetable or been given longer journey times, such as evening trains to Coulsdon. However, there has been no compensation or fare reduction to reflect that reduction in service levels.

Passengers recognise that service alterations are inevitable while the works to upgrade London Bridge are under way, but no one imagined that Southern, now under the Govia Thameslink Railway management contract since July, would fail so catastrophically to deliver even the reduced timetable. Indeed, reliability has deteriorated to the extent that it is barely possible to say that a functioning timetabled rail service exists. The service to and from Redhill and Reigate is a nightmare, with delays every morning and evening. Delays are being unreasonably heaped on the Redhill line. No peak evening train from London Bridge to Redhill has arrived on time since last October. Trains are on average 10 minutes late, and more than 10% of them do not run.

Overall, the Redhill route appears to get more cancellations as a proportion than any other part of the Southern network. For example, Redhill performance statistics show that just 30% of peak trains from London

Bridge arrive within five minutes of schedule. By contrast, the figure is 52% for Brighton, 49% for Haywards Heath and 65% for East Grinstead.

Govia Thameslink Railway's moving annual average public performance measure of trains "on time"—the proportion of the total number of trains planned that arrive within five minutes of the advertised arrival—stands at the lowest of all franchises, at 81.7% against a national average of 89.3%. Commuters also face the consequences of driver shortages, broken tracks and no spare rolling stock: regular cancellations, delays, short formations and last-minute station skipping, which cause untold stress for commuters. All of this—drastic cuts, chronic overcrowding and appalling reliability—has created significant discomfort and extended journey times, affecting the health and ruining the family life and quality of life of regular commuters.

There are serious questions for the Minister to answer about the specification of service delivery levels set out in the management agreement. Are they too lenient? Perhaps she can explain whether it was because of that inadequacy that the Department for Transport issued Govia Thameslink with a remedial plan notice requiring it to set out improvement measures that, once agreed with Government, will become contractually binding. Will she tell us when that will be agreed and what penalties will be able to be imposed, with a view to providing direct reparations to rail users affected by terrible service?

It is clear that, regardless of the Minister's deep-dive examination, her performance improvement plan and her undoubted energy and engagement with colleagues, the franchise appears to be fundamentally flawed. Is she prepared to set a deadline in public for specified performance improvements in the remedial plan, which, if missed, would trigger the termination of the franchise?

There are also questions to ask about the level of services that commuters can expect once the Thameslink upgrade is completed in 2018. Are the Redhill, Reigate and other local commuters who I represent suffering all this pain now for someone else's gain later? I invite the Minister to commit to discuss with Govia Thameslink's management the specific timetable improvements that Redhill and Reigate rail users can look forward to. Will the future Thameslink timetable be able to improve journey times and create regular, fast services to London? Will it provide a better service than in 2011 or replace it with an inferior service, which is what my constituents fear?

We should be hearing about the improvements that are to be secured, but the Department is still considering the hare-brained idea of building a second runway at Gatwick airport, despite the Airports Commission having so decisively dismissed it, not least on the grounds of the inferiority of Gatwick's surface transport links. There is no way that an expansion at Gatwick, involving a fourfold increase in passenger numbers, can be supported by the Brighton main line. That the proposition is still alive hardly promotes confidence in the Minister's Department.

Commuters have lost confidence in train operating companies' ability to deliver even a half-decent service, and the historically high and continually higher fares just rub salt into the wounds. A Redhill annual season ticket including zones 1 to 6 costs £1,100 more—47% more—than the same ticket from Coulsdon South,

which is two stops up the line. Fares to and from London for stations on the Redhill route are significantly higher than those for equivalent stations in Surrey, even those outside Oyster zones, such as Oxted and Dorking. Even tickets from places further away from London, including Gatwick, Three Bridges and East Grinstead, are cheaper.

I repeat all of that to remind the Minister of the unfairness in the pricing structure, which she heard about when she met the Reigate, Redhill and District Rail Users Association in October. At that meeting, and in subsequent correspondence, we presented a reasonable proposal, supported by the borough council and London TravelWatch, to extend Transport for London zone 6 to stations to Gatwick, with a review on completion of the Thameslink works. Our case is both logical and affordable. The long overdue introduction of Oyster pay-as-you-go for trips to and from Gatwick airport and the installation of such technology at the stations on the short stretch of main line between Gatwick and the current Oyster boundary at Coulsdon South provides the opportunity for the Minister to extend zonal fares, ending the confusion that has arisen from the complicated fare structure on that stretch of railway.

Such measures to simplify and reduce fares have always shown a benefit of increased usage of about 4% to 5%. That happened when zonal fares were introduced in 2007 and when Oyster was introduced on the national rail network in 2010. Revenues have also held up following substantial fare reductions of up to 40% on some off-peak services, associated with the transfer of several London and Essex services to London Overground in May 2015. The expected increase in usage alone would recover most—or probably all, if not more, based on previous experience—of the approximately £6 million cost of introducing zone 6 to the stations at Redhill, Reigate, Merstham, Earlswood, Salfords and Horley. The total risk, if all of that is completely wrong, is less than 0.1% of the revenue stream in 2013-14.

Despite the case that was made to the Minister, she wrote to me on 16 December to turn down our proposal. It appears to the commuters I represent that she is proffering every assistance short of actual help, whether that is introducing zonal fares, direct reparations or an annual RPI minus a percentage change—something she has powers to do.

Why should my constituents be expected to pay a premium price for substandard services? Local rail users will find it incomprehensible that the Minister and her officials cannot even consider a fare reduction through zoning or otherwise. They will not understand why Dartford and Brentwood could be brought into Oyster zones last year, and why Stratford and other east London stations could be brought into financially better zones for commuters this year, when Redhill and surrounding stations cannot be considered.

Commuters using the Redhill and Reigate routes are fed up with being given excuses and the brush-off. They are suffering the double whammy of disproportionately more severe delays and disproportionately higher fares. They have asked me who is responsible, and I have so far ducked giving them a direct answer. Uncomfortably, however, it seems that the Minister and her Department are responsible for the management contract. That contract now gives her responsibility for the fare stream, which she receives directly. It has now been more than a year

[Crispin Blunt]

since the disaster following the London Bridge works last Christmas. I hope that she will not only explain who is responsible, but bring some relief on an issue that she can control directly, given her responsibility for the fare stream, while she also wrestles indirectly to improve the inadequate performance we have seen.

11.12 am

**The Parliamentary Under-Secretary of State for Transport (Claire Perry):** It is a pleasure to serve under your chairmanship, Ms Dorries. May I wish you and the rest of the team in Westminster Hall a happy new year?

I congratulate my hon. Friend the Member for Reigate (Crispin Blunt) on securing this important debate. He tempts me to comment on issues that are rather outside my brief, such as the runway decision, and I will resist that temptation. However, I am always happy and, indeed, anxious to discuss the performance on his line, and I am committed to doing that.

My hon. Friend has raised these issues repeatedly with me in correspondence and, most recently, in our meeting on 22 October. He has eloquently made his points about the need for clarity about who does what under the management contracts and about the need to ensure that his constituents get a reliable service.

I genuinely welcome the ongoing campaigning and activity of the Reigate, Redhill and District Rail Users Association, of which my hon. Friend is president. The campaigning and the information and analysis that the group has presented to me is truly excellent. That is exactly the sort of on-the-ground, forensic analysis we need to ensure that we get things right.

My hon. Friend pointed to the fundamental problem: over many decades, successive Governments ducked carrying out the improvement works that were needed at London Bridge station—the fourth busiest station in the country—and on the Brighton main line. It was this Government who finally took the decision to make those necessary investments as part of spending an unprecedented £38 billion on upgrading vital transport infrastructure across the country.

It is difficult—it would be fair to say that it is more difficult than the project team perhaps thought—to carry out such enormous improvement works on a vital functioning railway. There is always the choice whether to blockade the whole service for a time or to keep it running and to manage the timetable so that the improvements can be carried out.

Now that we have gone through the worst of the project—I am the first to admit that it has been very difficult for all the users of London Bridge station and particularly for Brighton main line commuters—the light is quickly emerging at the end of the tunnel. Half the new station will be open this year. There will be new trains, and they will serve the main line that commuters in my hon. Friend's area connect with. We will start to see a steady improvement in services and the benefits that were the basis for all that investment. About £800 million is being invested in and around London Bridge alone.

As my hon. Friend will know, the Brighton main line, with which his loop connects, is one of the busiest lines in the country. In the last five years, the number of

passengers on Thameslink has grown by 40%, while the number on the Southern network has grown by 32%. In a way, therefore, we have had a perfect storm of enormous and long-overdue investments to sort out creaking infrastructure; continued growth in passenger numbers; and a railway system that has, in some cases, struggled to cope.

My hon. Friend was right to allude to the series of completely unacceptable engineering overruns that happened last Christmas. I am sure that he, like me, welcomed the fact that this year, all the planned engineering work done right across the country, including at London Bridge, was completed on time, and that the railway was handed back to passengers. There were then several unacceptable points of disruption in the first week of service. We are investigating those, but Network Rail has, quite rightly, learned how to do these major pieces of infrastructure work and then to hand back the railway on time so that passengers can benefit.

My hon. Friend asked what was in it for his constituents and whether we can confirm that there will be new services. He is right to point out that the timetable has been squeezed to deal with all the pinch points on the network. In 2018—this will, of course, be subject to consultation—Redhill alone will have five extra trains to and from London in the morning and evening peaks. They will be new, state-of-the-art, longer trains, and there will be more capacity. At that point, I think we will be able to say that his constituents are getting the service they deserve. What we all want from that work is once again to make that part of the network a high-performance route, with improved trains, stations and performance.

My hon. Friend asked me repeatedly to talk about compensation. I have considered the issue extremely carefully. Having done some research over the holidays, I want to point out that Britain has one of the most generous compensation systems in the world for rail users. We already have in place compensation payout triggers that we do not see on any other network. The challenge for my hon. Friend's constituents, whose average journey time is about 43 minutes, is that the compensation triggers come in after 30 minutes, which is not much use on a 43-minute journey. We need compensation that addresses the repeated short-term delays. My hon. Friend will be pleased to know—this is something the Conservative party committed to in its manifesto—that we are looking to introduce compensation payments from a 15-minute delay trigger point. That is something I would like to introduce very quickly, because my hon. Friend is right that we have to improve the compensation. The challenge is that it is really difficult to target a compensation package specifically at passengers using a particular station on what is a very open network. We have repeatedly looked at ways of doing that, but, so far, we have not found a way of targeting the compensation specifically.

My hon. Friend's point about fares is absolutely right. That is why I am pleased that we were able to commit to an RPI plus 0% deal on fares for the remainder of this Parliament. For too long, commuters in the south and the south-east were seen as easy pickings—as a way to subsidise the overall railway operation, particularly for other franchises in the country that received a subsidy. That is completely wrong. The RPI plus 0% deal that we have put in place means that, on average, regulated and unregulated fares will go up by only



1.1% this year. That is worth about £750 million to commuters across the life of this Parliament. The average season ticket-holder will save £425 over the life of this Parliament and for the first time in a decade wage increases are outstripping rail fare increases—quite properly. We are listening and trying to do all we can to improve the fare structure and the deal for commuters.

My hon. Friend raised the point about extending Oyster zone 6 to Reigate and Redhill. I know that he knows quite how hard we have all worked to get the Gatwick extension proposal up and running. Indeed, that extension was opened yesterday and people can now buy a pay-as-you-go Oyster card at Gatwick and use it on the intermediate stations. He also knows that that is not the same as a zonal extension. It is difficult but possible to put the technology in place and there is a very small reduction in fares if people buy a pay-as-you-go Oyster card, but it is a much more complicated structure to rezone.

My hon. Friend mentioned some stations. I need to double-check. My understanding is that the fare changes, for example at Dartford, were almost de minimis when the zoning happened—very similar fares already applied. Rather than responding on a piecemeal basis to requests for rezoning, which may be very valid, I would like to look at this issue on the round. He will know from our conversations that we are supportive of a proposal to consider further changes regarding who does what between Transport for London and those with franchise contracts let by the Department. We are committed to devolution where it makes sense, and I am hopeful that we will be able to have a consultation and a conversation on that specific issue in the very near future. I also hope that he and those he represents will continue to lend their voices to that conversation. We want to do things right and make something work for the future.

My hon. Friend again raised his concerns about the disparity in fares between Redhill and Reigate services and East Grinstead and Oxted services. Again, his user group made some very clear points when we met. However, he will know that it was dear old British Rail that changed the whole basis upon which fares were calculated. Until 1968, fares were based on mileage, which was something we could all understand. Then they were changed for all sorts of reasons—frankly, the thinking of BR management at that time was about what the market could bear. We have ended up with discrepancies such as the ones he pointed out.

Although Redhill and Oxted are both about 20 miles from London, rail fares are no longer calculated on distance alone. That is why, rather than trying to manage some of these discrepancies, we have focused on the overall cap and capping the fare increases at RPI plus 0% over the duration of this Parliament. Fundamentally, however, if we had a train service that ran on time and did not have delays, the questions about compensation and fair fares would drop off.

Delivering performance on one of the most heavily congested lines when some of the most substantial engineering works in the country are being carried out is a real problem. My hon. Friend will know that performance on that route and indeed specifically on the Brighton main line has been in decline for several years. Passengers on that part of the network have not received the high-quality service that they deserve.

As my hon. Friend knows, that is why, since the election, I have set up and chaired a south-east quadrant taskforce, which for the first time brings together Network Rail, the operators and Transport Focus to thrash through these issues and to understand what is causing the problems—it is fair to say that most of the problems are infrastructure-related, but there are challenges around driver numbers and train reliability. Both those issues are reducing in terms of the level of disruption they are causing. People should remember that, when the franchise was let, the franchise holders inherited a very substantial driver shortage.

On the Southern and Gatwick Express line, I can tell my hon. Friend that, by looking at my charts, I can see that the headcount deficit for drivers will be cleared by May. In other words, there will be enough trained drivers out there driving trains so that the number of trains cancelled because of driver shortages will drop very substantially. The same is true regarding the new train fleet. As the new fleet comes into service up to 2018, the issues caused by fleet reliability will decline.

**Crispin Blunt:** I have had the frustration of being on a train that was cancelled because it did not have a driver, only to move to another train that could not move because it did not have a conductor, which is an entirely typical experience for the people I represent. My hon. Friend has given that promise about improvements by May. Can she say what there is within the contract to hold Govia Thameslink's feet to the fire? If it does not deliver, when will it lose the franchise?

**Claire Perry:** I am quoting from the plan, which is baked into both the contract and the remedial plan that was put in place last year, when we were fervently of the view that the performance on the line was unacceptable. That is what the company is now being managed to in terms of driver delivery and the train roll-out. Slightly later—I am conscious of the time—I want to discuss with my hon. Friend what happens with the contracting process.

Fundamentally, we are trying to address the challenges: what is happening with the underlying infrastructure, drivers and train performance? By the way, I hope my hon. Friend and MPs from all parties on the route will attend the meeting with the head of franchising in my Department, the management team and Network Rail next Monday, 18 January, to hear the conversation. I want all that information out in the public domain and I want the commitments to be made very public.

What has happened since we let the contract? Clearly, there has been an unacceptable period of poor performance and we have notified the franchise holder that it was effectively in breach of its contract. The first stage is to come up with a remedial plan that sets out the measures that it will take, which is what I am referring to, particularly on the driver side.

The other question is on Network Rail because, as I have mentioned, most of the delays are related to infrastructure. My hon. Friend will know that Network Rail has been put on notice and has agreed a £4 million package of remedial works for the Brighton main line to address some of the more immediate performance issues.

My hon. Friend has invited me to set out a vision of what good looks like. The answer is that we have that information and we need to ensure that it can be delivered.

[*Claire Perry*]

What we want is a performance target that can be delivered. Subject to all those works, the new trains will roll out, which is what we are all striving for. That is what good looks like and what we are contracting for in 2018. If he comes to the meeting next Monday, we can further discuss what it looks like both for his line and right across this network.

My hon. Friend will see some very specific improvements to his local station in the next couple of years. We have committed to providing a £270 million, 12-car platform at Redhill station, so that we can get longer services on that line, and so that the Great Western Railway can increase its services on the north down lines linking Redhill and Reigate to Reading, accessing all the works that are going on through Crossrail and on to Heathrow. A series of other benefits come at that point.

Fundamentally, however, my hon. Friend invites me to say at what point we would take the franchise back. I would invite him to consider that we would remove the franchise only if we felt that the management team could not deliver. Having spent far more time down in the weeds of railway management than I ever intended to on that particular line, I have to assure him that I think everything is being done to address the performance issues, the driver shortages and the roll-out of new rolling stock. For the next 18 months, there will be a difficult period of performance. It does not need to be as difficult as it has been, and we are doing all we can to ensure that the new timetable delivers the sort of reliable service people want.

My hon. Friend mentioned one thing that I want to go away and investigate. If it is true that no peak evening train has arrived on time since last October, that will give me great cause of concern. I want to go away and look specifically at that particular timetable.

**Crispin Blunt:** I am very grateful to the Minister and I appreciate her giving away. I will have to present the case to her behalf to my constituents. The reason that I called for the debate in isolation from the wider line performance is about the proposal to zone the line down to Gatwick. Rather than simply a no, can she give me a full costed reason if the answer remains no, which I hope it does not? I need a full explanation to take back to the rail users to say exactly why she has come to that decision. I will be very happy to help her to do that.

**Claire Perry:** What I will tell my hon. Friend's rail users is that the proposal to rezone and effectively to change the boundary between TfL and the franchising should be quite rightly looked at in the round, so that his constituents and others who are involved—this is an around-London issue—feel that the proposals have been properly worked up. What he can take back to his constituents is that they will shortly be asked for their opinions regarding a London-wide and suburb-wide series of proposals on devolution. I would expect that he and they will make their voices heard.

In conclusion, my hon. Friend is well aware of the constant level of concern that that railway causes. It is the biggest and busiest franchise. We look at performance measures. By the way, what I want to see is performance measures that focus on the people rather than the trains.

11.30 am

*Motion lapsed (Standing Order No. 10(6)).*

## Airport Expansion: East Anglia

[*MARK PRITCHARD in the Chair*]

2.30 pm

**Sir Alan Haselhurst** (Saffron Walden) (Con): I beg to move,

That this House has considered the effect of airport expansion on the Anglian Region.

I welcome you to the Chair, Mr Pritchard. It is an honour to serve under you for the first time, and I am glad to see that you are enjoying being a member of the Panel of Chairs. I also welcome the Minister—if he grimaces at any stage in the course of my remarks, it may well be because he feels he has heard it all before—and I welcome colleagues from the region and others who have come to take an interest in the debate.

I will give a little history, if I may. In 1977, I became very fortuitously the successor to R.A. Butler and Sir Peter Kirk as the Member of Parliament for Saffron Walden. They had fought successfully up to that point against the proposition that Stansted should become London's third airport. Despite their efforts, the fascination of officials in Whitehall persisted. Here was this very long runway built by the Americans for their bombers in the 1940s; surely it could be put to civilian use.

When I came to Saffron Walden, I had previous, as they say: I had been the Member of Parliament for Middleton and Prestwich in Greater Manchester between 1970 and 1974 and had very much absorbed the findings of the Roskill commission—a long-time predecessor to the Davies commission that had been asked to advise the Government on where to provide extra accommodation, specifically in terms of a third airport. The commission rejected Stansted, even on its shortlist, and by a majority recommended Cublington in Buckinghamshire. There was a dissenting view by Colin Buchanan that there should be an airport in the Thames estuary. That was adopted by the incoming Government of 1970, who proceeded to construct the airport, which was termed "Maplin".

I had time in those days to fully read the Roskill report, and I also became familiar with all the inland sites being considered. I came to the view that a third inland airport would be a mistake, so I heartily supported the proposition that there should be a new airport altogether in the Thames estuary. Why, I asked myself, should there be a third airport when there were already two?

What was, to my mind, unfortunate was the legal agreement arrived at between West Sussex County Council and the British Airports Authority, when it was still a statutory authority, that there should be no second runway at Gatwick for 40 years, expiring in 2019. In a sense, it had cut off a limb for expansion and was seeking a third site. I did not think that that made any sense in 1979, and I do not think it makes any sense now.

After the airports inquiry of 1981 to 1983, which considered further expansion at Stansted or Heathrow, the recommendation was to allow a terminal at Stansted, limited to 15 million passengers per annum. It took about two years for the Government to reach that decision after the inquiry reported—Howard Davies,

please note. The inspector also stated firmly that he would only recommend such a degree of expansion at Stansted provided it was made clear that there should never be a second runway—Howard Davies, again, please note the worth of that type of promise.

**Sir Oliver Heald** (North East Hertfordshire) (Con): I do not know whether my right hon. Friend remembers this, but it is my understanding that Stansted airport was then marketed to the local community as its own airport in the countryside, not at all with the sort of pretensions necessary for a major airport such as Heathrow.

**Sir Alan Haselhurst:** My hon. and learned Friend is quite right. There was an attempt to damp down the feelings locally about Stansted by not referring to it as London's third airport, but the assumption in its design and construction was that it would, indeed, share an even amount of the traffic coming into London.

What followed? Well, traffic distribution rules were abolished. The effect was that 19 airlines promptly moved from Gatwick to Heathrow, leaving rather a large hole at Gatwick, which made that airport much more attractive at the time than Stansted. The next decision was to give BAA, when privatising it, a monopoly of the three London airports, which of course meant in the circumstances that it had no particular priority for Stansted. It was probably making more money at the other two airports, so there was no pressure from that direction to improve access to Stansted.

**Kelvin Hopkins** (Luton North) (Lab): One problem that arose from BAA being given control of the major airports was that London Luton airport was squeezed completely out of the picture. Does the right hon. Gentleman agree that that was a big mistake?

**Sir Alan Haselhurst:** I do not want to enter too much into the undoubted controversy that I know exists around Luton. It has its proponents and its opponents, but I accept what the hon. Gentleman says.

All we got in terms of access from London to Stansted airport—apart from the M11, which had originally been conceived as the London-Norwich motorway but was somehow stunted and ended up close to Cambridge—was a spur off the main rail line. The tunnel into the airport has a single track, so there is an obvious limitation on its capacity. A 41-minute service from Liverpool Street was inaugurated and quickly proved to be unsustainable, because there was not the rolling stock to accommodate the continuing and growing commuter needs, while half-empty trains were going out on a regular basis to the airport. In the end, the service had to slow down over the years in order to deal with the totality of traffic.

In those circumstances, it was small wonder that major carriers were not attracted to Stansted. The day was saved by the emergence of low-cost carriers such as Ryanair and easyJet, which had never been heard of at the time the terminal was built. The terminal was not designed for the kind of traffic that it eventually found itself accommodating. The day was also saved for Stansted by the break-up of BAA much later on. There is no doubt about it: Manchester Airports Group is incomparably

better than BAA at looking after Stansted. London Gatwick has also become a far more welcoming airport than it ever was in the past.

Relations with the local community improved. Stansted is the largest employer in my constituency. Manchester Airports Group has been active in developing educational and apprenticeship opportunities, and in that direction has been aided and abetted by my right hon. Friend the Minister for Employment, whose ministerial duties prevent her from being here this afternoon. Passenger throughput is now growing and has reached 22 million passengers per annum. Jobs are being created on and off the airport. Its presence has had a wider regional effect, and we are now seeing world-class businesses clustering close by, notably in Cambridge but also at various points along the spine of that railway and further afield, in places that have access. The whole M11 corridor is attracting high-end business growth and, at the same time, is of course generating housing development.

Thinking about it, that might be seen as a dream scenario for anyone who wants to build and operate a railway and operate trains. The airport is growing its passenger numbers and needs to find employees. High-tech companies, large and small, need to draw in staff, and influential business visitors are coming from overseas. There is a level of housing construction along the line which, although it may be worrying to some in its concentration, is nevertheless unavoidable if we are to provide homes for aspiring owners. However, in all this time, nothing has been done to improve the West Anglia rail line.

Fast, efficient, comfortable surface transportation is essential, and not just for the railway, although I focus on that to a large extent. The volume of traffic is increasing, whether from the north or the south. If the constituencies nearest to the airport have high employment, they have to look further afield for employees for the jobs being created, and those people also need the convenience of being able to travel. Quite a number of people travel out of London to work in Hertfordshire, Cambridgeshire and so on, as well as those who come in the other direction. There is just a growing volume, which includes airport passengers.

**James Cartledge** (South Suffolk) (Con): My right hon. Friend makes an interesting point and is giving a very interesting speech. South Suffolk is not far from Stansted, but the commuter transport is very poor. One reason why we want improvements to our local roads—there has been a long-running campaign for a Sudbury bypass—is so that young people in our constituency can get within commuting distance of Stansted.

**Sir Alan Haselhurst:** I am grateful to my hon. Friend for underlining my point. There have to be wider connections across the region, and notably with Norwich. Given that it is one of the major cities in the region, it is incredible that the rail link is so insubstantial.

**Peter Aldous** (Waveney) (Con): I congratulate my right hon. Friend on securing the debate. Does he agree that improved connectivity through rail can really enable Stansted to be a major engine of growth for the whole East Anglia region, including my constituency, which is the most easterly constituency in the region?

**Sir Alan Haselhurst:** I agree with my hon. Friend. Stansted would, of course, see itself as already being that engine of growth. Its presence is undoubtedly a major factor in the investment decisions being made by some very important businesses.

**Mr Gavin Shuker** (Luton South) (Lab/Co-op): To the right hon. Gentleman's relief, I do not intend to speak about Luton airport, which is based in my constituency. I hope that my hon. Friend the Member for Luton North (Kelvin Hopkins)—my good friend—will talk about it later. To underline the point, in the analysis on east-west rail, one of the most interesting growth pairs between two different places over the next 15 years will be between Luton and Essex. East-west applies both on the eastern and western sides of the region.

**Sir Alan Haselhurst:** I am grateful to the hon. Gentleman. I think there is something called "the golden triangle," and I certainly do not reject the idea of the east-west connections in any way, but we do not have the money to do everything. I concentrate on this line as a priority, simply because, at the moment, it is the main link between the city and the airport and it has had so much neglect over these past years.

**Mr Mark Prisk** (Hertford and Stortford) (Con): I congratulate my right hon. Friend not only on securing the debate, but on his remarkable leadership over many years in fighting this corner for his constituents, and indeed, for mine, given that we are from neighbouring constituencies. A lot of people are concerned about access, which he has mentioned. The airport is very important for the wider economy, but for many of my constituents, being unable to get into London because of the inadequacy of the rail connections is the core issue.

**Sir Alan Haselhurst:** I agree with that, without ignoring the points that other colleagues have made. It cannot just be seen in terms of north and south—there are other considerations—but my hon. Friend is absolutely right. He and I, in neighbouring constituencies, probably suffer the weight of the complaints from quite a lot of rail passengers.

There is also the A120 which, I was told 38 years ago, was to be a critical route across to the M11 for traffic coming from the east-coast ports. The section between Braintree and Marks Tey is still not in place, which is an absolute scandal. We then have the other minor scandal of junction 8 on the M11 motorway. My hon. Friend's predecessor, Bowen Wells, and I appeared bravely at the public inquiry into the motorway services area. After it was decided that the airport access should be from junction 8, it was then decided that we should have the motorway services area access at another quadrant of it. The result was chaos, and yet, Bowen Wells and I were told in the inquiry—of course, we really knew nothing and were not experts—that they had got it absolutely measured. It has been a disaster. There is consideration even now that perhaps the only way of overcoming the inherent difficulties of that junction will be to shift the motorway services area. It is not beyond the realms of possibility that that might have to happen. There are also the demands from my right hon.

Friend the Member for Harlow (Robert Halfon) for a junction 7A to ease the pressures from people getting to the airport.

I want to feed these points into the bigger picture of airport provision. Stansted undoubtedly has the spare capacity to soak up a lot of the pressures that are going to arise until the decision on the Davies commission has been made and, perhaps more importantly, implemented. Without a decent railway, however, Stansted will struggle to address that demand. The bigger airlines expect a high standard of connectivity and quality rolling stock to go with it, and as local MPs, our concern has to be, as much as anything else, for our long-suffering commuters, who are having to pay more to travel in not very good conditions. There is problem after problem, and they extend across the region to the Great Eastern line—not least already this week.

Even Davies concedes that the quickest increase in runway capacity can be achieved at Gatwick. It has multiple rail access. That is currently being upgraded, which is fine for them, but it is galling that there still has been no upgrading on the West Anglia line. Stansted has absolutely nothing to compare in rail access with either Gatwick or Heathrow, yet to fulfil the role of that airport in our region, four-tracking of the West Anglia line is the minimum needed now. Four-tracking between Tottenham Hale and Broxbourne is needed, not in 2025 or 2030, but now, just to sustain the existing level of demand, let alone what is in prospect from north to south of the line. Four-tracking is also the vital precursor to the Crossrail 2 project, which would naturally follow on from that.

The Anglian region needs to be plugged in better to Greater London, not just to Liverpool Street, but to Stratford and to places that Crossrail 2 will reach. I say to the Government that, if only to buy time on their airport strategy, they need to sort out the West Anglia line.

**Mr Stewart Jackson** (Peterborough) (Con): Will my right hon. Friend give way?

**Sir Alan Haselhurst:** If I may, I will continue. If the Government want to underpin the growth potential of the Anglian region, they need to sort out the West Anglia line. If they want the increasing population in our constituencies to travel conveniently to work, they need to sort out that line. It is in no one's interest to let improvement work slip into what Network Rail calls control period 6 or even control period 7. There has been a 30-year struggle to get this improvement, and if nothing is done soon, the potential of the Anglian region will be severely handicapped.

2.49 pm

**Stephen Timms** (East Ham) (Lab): I am pleased that you are presiding over the debate, Mr Pritchard.

*Sitting suspended for Divisions in the House.*

3.14 pm

*On resuming—*

**Stephen Timms:** I was going to say that I was pleased to see the Minister in his place, but he is not there—I am sure he soon will be. I am, however, delighted that my

hon. Friend the Member for Cambridge (Daniel Zeichner) is in his place to respond on behalf of the Opposition, and I congratulate him on his promotion. This is the first time he has done so in a debate I have taken part in, and that is particularly appropriate today, given that he represents a constituency in the Anglian region.

I agree with much that the right hon. Member for Saffron Walden (Sir Alan Haselhurst) said in opening the debate. I particularly want to pick up his point about rail access to Stansted from Stratford. Well over 20,000 people in the borough I represent in east London work at Stansted airport. We have a bright and youthful population in east London, with many people looking for rewarding careers. Having a good rail service from Stratford to Stansted will be important for many of those people, as well as giving the airport access to key future talent, which will be very much in its interests.

I want, however, to focus on the potential contribution of another airport on the east side of London—London City airport, which is in my constituency. It is disappointing that the major capacity increase needed at London airports has been delayed yet again, this time to avoid embarrassing the Conservative party in the London mayoral elections. However, the expansion proposals for London City airport, which will be considered on appeal in a couple of months, can help to meet rising demand while we await the decision on Heathrow versus Gatwick.

I have a long association with London City airport. I was at its opening 29 years ago, as chair of Newham Council's planning committee. I particularly welcome the imaginative and committed way in which the airport, with its "Take Off Into Work" initiative, is ensuring that local residents have access to the expanding employment opportunities it offers. Partly on the strength of that, it won last year's all-party group on corporate responsibility award for national responsible business champion.

London City airport catered for 4.32 million passengers in 2015. Some 52% travelled on business, but quite a large group now travel on leisure flights. Ten airlines fly to and from the airport, mainly serving European destinations, although British Airways also flies to New York from London City. Some 2,000 people work at the airport, and its development will create 1,500 additional jobs by 2023.

The proposed expansion at London City does not require any increase in the movements allowed under the existing permission or any change to the runway. However, it does require larger aircraft parking stands to accommodate quieter and more fuel-efficient aircraft, such as those in the Bombardier C series, whose wings are manufactured in Belfast. It also requires a further seven stands for aircraft, a new taxi lane parallel to the runway to increase the number of movements per hour on the runway, and expansion of the airport terminal. Altogether that represents a £200 million investment, which will deliver increased capacity for the benefit of the Anglian region and the wider UK economy by 2018.

As the local planning authority, Newham Council gave the development permission last February. However, against the advice of his officials, the Mayor of London blocked the expansion. His letter of 26 March 2015 said that the application did

"not adequately mitigate and manage its adverse noise impacts." I am not entirely clear what the Mayor meant by that. The airport is appealing, and the appeal will be heard in March and April. The decision will then be made

jointly by the Secretary of States for Communities and Local Government and for Transport, although we do not know precisely when.

**Kelvin Hopkins:** I wonder whether the Mayor was concerned that an expansion of London City might dent his ambition for a Boris island airport.

**Stephen Timms:** That is possible. I think it might be more to do with his objection to expansion at Heathrow, and a feeling that to be consistent he needed to object to expansion at London City as well, but that is speculation on my part.

London City airport is the only London airport that does not operate night flights. It shuts from 10.30 pm to 6.30 am. It also closes for a full 24 hours from 12.30 pm on Saturday to 12.30 pm on Sunday. Of course, there are people who are concerned about noise from the airport, as is the case with any airport, but quite what the Mayor meant when, against the advice of his officials, he said there was not adequate mitigation and management of noise impacts, I am not sure. The plan includes £25 million for an enhanced sound insulation scheme, and the whole purpose of the plan is to allow the use of newer aircraft that are quieter than those that use the airport at the moment. It includes the introduction of a fixed noise contour enforced by the local authority, which will limit noise impact and incentivise airport operators to use quieter aircraft. I am disappointed that development at London City airport has been delayed.

Everyone recognises that additional airport capacity serving the Anglian region, London and the south-east is needed. Development at London City can provide extra capacity quickly, with the potential for nearly an additional 2 million passengers a year by 2023, while we await the longer-term decision on Heathrow versus Gatwick—I presume that is where the decision will land.

Of course, expansion at London City is a bit of a sticking plaster for the needs of the Anglian region and the wider UK economy, but it will be an extremely valuable step. Its delivery will have substantial economic benefits for east London, which is increasingly the focus for investment from outside and inside the UK, the home to more and more people, and an economic centre. The expansion of London City airport can only help and support it.

3.22 pm

**Mr Stewart Jackson** (Peterborough) (Con): I congratulate my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) on securing this important debate. I want to speak only briefly, to reiterate the important comments that my right hon. Friend made towards the end of his remarks, that we should view the decisions we take about Stansted airport within a wider economic context, and take a wider strategic overview of the economy in the east of England. He, more than anyone, will know that the airport at Stansted is the largest single-site employer in the east of England, with 11,500 people and more than 200 individual companies working there. He will also know that the Airport Operators Association concluded in its report in November 2014 that as a whole the airline industry in the United Kingdom contributed £52 billion to our country's gross domestic product, was responsible for employing 960,000 people, and directly contributed £8.68 billion of tax.

[*Mr Stewart Jackson*]

My right hon. Friend put the national and local debate about Stansted airport into its correct historical perspective, and it seems to me that all the issues to do with airport expansion essentially revolve around the position of an airport within the economy. The environmental issues are noise, ground access, congestion and pollution, and those things come to the fore when we consider Heathrow versus Gatwick and the so-called Boris island. The decisions of the Davies commission, and the expediting of a final solution to the issue next year or at the end of this year are, obviously, eagerly awaited. It is an issue that has dragged on for at least 10—probably nearer 15—years. It is accepted now that Heathrow is at capacity and Gatwick is not far off it, and across the whole of the wider south-east, including the eastern region, we will be at capacity by 2030.

I want to concentrate on the economic issues. You will know, Mr Pritchard, that the area loosely described as the London-Cambridge economic corridor—I make an oblique reference to Cambridgeshire's second city, Cambridge, as opposed to Peterborough—is not just about London and Cambridge. It was the Labour Government who identified a London-Cambridge-Peterborough growth corridor, an integral part of which, for sustainable economic growth and employment, was Stansted airport. That is important. On a serious note, the success of Cambridge in particular means the success of Cambridgeshire and the wider eastern region, so we need that level of connectivity, not just on the railways but as a matter of worldwide airport connectivity and a local—if I can use that word—airport that can serve Cambridge and the wider economic area including Suffolk, north Essex and east and north Hertfordshire, as well as London, which is a world city.

**Will Quince** (Colchester) (Con): I totally accept the point about the Cambridgeshire corridor. Does my hon. Friend agree that surface access to airports is very important—particularly the upgrading of road routes such as the A120, and similar routes to give access to Stansted and the Cambridgeshire area? That is important for the potential expansion in airports and airport use.

**Mr Jackson:** Absolutely. One of my bugbears, which I brought up in Transport questions not that long ago, and which I have been raising for years, is the fact that we tend to be slightly London-centric and think about the Stansted Express and the connectivity between east London and Stansted. The right hon. Member for East Ham (Stephen Timms) touched on that issue in talking about London City airport. However, we should remember that there is also a need for enhanced connectivity between the midlands and the north of England, via a key subregional transport hub such as Peterborough, bringing jobs, opportunities and tourists and other people to Stansted from the north and the midlands. It is just as important in the context of the wider infrastructure picture, which is that the east of England suffers from relatively poor road and rail infrastructure. We might think of the Liverpool Street to Norwich line and road access to places such as Suffolk—particularly Waveney, Lowestoft, Great Yarmouth and the very large county of Norfolk.

I have for years pressed for a little strategic thinking about the CrossCountry service from the midlands to Stansted. My constituents want to be kind to the environment. They do not want to get into a car at the crack of dawn to drive down the A14, on to the M11, to reach Stansted. They would much prefer to get a CrossCountry train that began its journey in Birmingham, and to get to Stansted in good time for their flight—perhaps with time for an early breakfast and some shopping there. They could support the local economy of Uttlesford and Essex. However, they cannot do that because the train does not run at the appropriate time. That is something pretty straightforward and simple that goes to the heart of the issue of connectivity.

**Peter Aldous:** The east Anglian region has for a long time been the poor relation with respect to airport connectivity. Does my hon. Friend agree that we can up our game? In the Chamber today there are Members representing constituencies with Stansted, London City, Luton and Cambridge airports—and there is also Norwich. We need a strategy for connecting to those airports and making the best use of the facilities and resources that we already have.

**Mr Jackson:** My hon. Friend makes an important and astute point that speaks to a lack of joined-up thinking on transport infrastructure. We get it right on the smaller, strategic projects. One only has to think of the guided bus that links St Ives in Mid Cambridgeshire to Cambridge. I used that bus to go into Cambridge over Christmas. It is a fantastic facility and, as I understand it, it is now scrubbing its face financially. My hon. Friend the Member for North East Cambridgeshire (Stephen Barclay) is campaigning for a better link between Wisbech and Cambridge, and I thank the Minister because we are having an upgrade of the east coast main line. Some £43 million has been spent on Peterborough railway station, for which we are inordinately grateful. However, do we actually join up all those individual projects across a big area? I suspect that we do not. Airport capacity and connectivity is another issue that we need to look at.

I want to talk briefly about air passenger duty. The elephant in the room is the massive generational decision that will be taken about airport capacity, which will centre on evidence for or against Heathrow. It seems that successive Governments have missed a trick by not availing themselves of the opportunity to use air passenger duty as a way of driving, or at least influencing, demand for the creation of new long-haul services at places such as Stansted, Luton and so on. The Minister will say that that lies within the bailiwick of the Treasury and I accept that, but the debate about air passenger duty needs to continue and we need to look at it again.

To conclude, my right hon. Friend the Member for Saffron Walden made an excellent case for the importance of Stansted. My contention is that we need to look at the expansion of Stansted as our regional airport. We need to move away from a London-centric, overly prescriptive focus on what is good for Greater London, which I admit is a world city of 8 million people. This needs to be about rebalancing the economy, and that does not just mean the north-west, Yorkshire and Humberside and the east midlands. It also means creating jobs, new opportunities and transport infrastructure in

the east of England. Stansted can be at the heart of that but it must be in a co-ordinated, long-term, sustainable and comprehensive infrastructure plan.

3.32 pm

**Kelvin Hopkins** (Luton North) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on launching this important debate. Not surprisingly, I will speak about London Luton airport, as I have been doing for a very long time. When I first came into this House 18 and a half years ago, there was a south-east airport strategy. Luton was constantly ignored and marginalised. It was not even mentioned in that report, largely because BAA dominated and had the ear of Downing Street, so Luton was just pushed out of the way. That has changed. Luton is now taken seriously as an airport. I am pleased to say that the Government are accepting that it will expand, and plans are now well advanced for Luton airport to expand.

There is a debate, of course, as to whether Luton is in east Anglia. The airport serves London and the south midlands and it could be argued that it is almost a Greater London airport, but it is in the eastern region so I will speak in those terms. Luton will never be a major hub airport because the topography means that the runway cannot be extended. It is limited in the number of passengers it can put through but it could almost double the number of passengers. There are currently just over 10 million a year and the airport could—indeed, it is planning to—go up to at least 18 million a year. It might even go beyond that with the parallel taxiway, expanded ground handling and, I hope, a fixed link to the mainline railway, which would be a tremendous advantage and something that I have argued for ever since I came to the House.

Rail connectivity has been mentioned regarding other airport areas and it is important for Luton as well. Luton Airport Parkway station has been open for a decade or so now but, unfortunately, only one East Midlands Trains service an hour stops there. East Midlands Trains runs the mainline trains—the express trains—and the airport wants four an hour to stop there. We are arguing strongly for that.

As excellent as the Thameslink local trains are when they are running well—I travel on them every day—they do not run early enough. The airport would like those trains to run earlier so that more people, particularly from London, can travel out to get business flights from London Luton airport early in the morning. They could fly out and back within a day, doing business in continental towns and cities and, of course, within the United Kingdom, but they need those earlier trains to get from London out to the airport to catch those early flights.

Oxford Economics has just produced an excellent report called, “The economic impact of London Luton Airport”, which I recommend to the Minister and his colleagues in the Department. It makes the case for Luton and says what splendid effects expansion will have. In time, London Luton airport could take more aircraft, especially with the modern, composite body aircraft coming through. Those aircraft will have shorter take-off and landing distances, higher load capacity and travel longer distances because they are lighter.

Although London Luton airport does mainly medium and short-haul flights at the moment, in time it could do some long-haul ones. I would hope that it could take some of the long-haul burden from other airports in the region, perhaps even including flights to the far east. Luton has a large population from Pakistan, for example. Why could we not fly to Karachi or Islamabad direct from Luton? I would like to think that that will happen one day. Luton is the base for easyJet and for Monarch, and Wizz Air flies a lot of people to and from eastern Europe. The airport has a good future and can make a major contribution.

I was lobbied recently by a group that argued that we do not need the third Heathrow runway, and that making maximum use of and expanding the existing airports—using them as efficiently as possible—would be sufficient for the future. I was, in part, persuaded by that argument, but I do not have the economic arguments at my fingertips and I know that the business community is keen on a new runway at Heathrow. There is possibly a case that we could just expand existing airports, including Luton, and the Government should look at that. It would be a useful way forward. I want to emphasise that Luton has a serious contribution to make to airport capacity in the east and, indeed, to London and the south midlands. I hope that the Government will continue to be supportive of the expansion of Luton.

**Mark Pritchard (in the Chair):** I advise Members that the debate is due to end at 4.25 pm due to the additional time for the votes.

3.37 pm

**Douglas Chapman** (Dunfermline and West Fife) (SNP): Mr Pritchard, it is a pleasure to serve under your chairmanship for, like some other Members here, the first time. I congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on securing the debate.

I will outline some of the Scottish National party’s views before I sum up. On the ongoing debate between Gatwick and Heathrow, the SNP has been fairly agnostic on airport expansion and the choice of location. Our main proposal would be to secure two-way benefits and sustainable connectivity between Scotland and our global markets. We need assurance that we can enjoy sustainable access to the hub airports that serve Scotland. Clearly, some of the final decisions to be made—the costly and large infrastructure decisions—affect many billions of pounds in commercial activity. Like the right hon. Member for East Ham (Stephen Timms), we are particularly disappointed that it seems to have turned into a bit of a bunfight for political advantage. A quick decision on airport capacity is needed. There is a risk attached: if the decision is further delayed, it is to the detriment of all concerned. We cannot allow the machinations of the London mayoral elections to get in the way—that point was clearly made by the right hon. Gentleman.

The right hon. Member for Saffron Walden has made a good case that his local airport is successfully managed. He mentioned the number of apprenticeships and jobs that were created by the airport and the increase in passenger traffic. It is also vital to recognise that where we have a successful airport such as Stansted, we do see a clustering of high-quality businesses. Again, for the long-term sustainability of the economy, these are extremely valid and good reasons to have airport expansion across

[*Douglas Chapman*]

the UK. However, he made the point that if such expansion was to take place, connectivity to such airports, particularly rail links, would be vital.

I cannot comment on the scandal of the A20, as the right hon. Gentleman called it; I think he was going back 38 years. I might not be chronologically challenged on that one, but I am geographically challenged, because I am not fully aware of where the A20 either starts or goes to. I am sure that is something we can discuss at a later stage.

**The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill):** The hon. Gentleman need not be too embarrassed. It is a devolved matter, so I do not expect to know all the road numbers in Scotland, either.

**Douglas Chapman:** I take that on board.

The right hon. Member for Saffron Walden mentioned that the rail infrastructure around his airport is not nearly as good as the rail infrastructure around Heathrow and Gatwick. As a Scottish MP, all I can say is, “Welcome to the club.” We have to deal with that daily.

I will quickly address the comments of the right hon. Member for East Ham. Obviously, there is the issue of the Stratford link and ensuring that people in his constituency can gain employment by making it an easy move for them. There is also the promotion of London City airport. The right hon. Member for Saffron Walden will already be aware that, as soon as such a debate comes up, we get people from all over the country saying, “Our airport should be the one that is favoured,” or “Our part of the country should be favoured,” and supporting various airports that are close to their heart.

**Stephen Timms:** I think I am right in saying that London City airport has more flights to Edinburgh than any other London airport. Will the hon. Gentleman join me in celebrating its contribution?

**Douglas Chapman:** Certainly. I am a regular user of London City airport in the right hon. Gentleman’s constituency, and I am grateful for the services provided from that airport.

It is also a shame and a great pity that the hon. Member for Uxbridge and South Ruislip (Boris Johnson) is not here to support the proposal for Boris island. Perhaps he is too busy playing whiff-whaff—I do not know what he does in his spare time. The Boris island proposal is obviously another part of the discussion that maybe has to take place.

The hon. Member for Peterborough (Mr Jackson) helpfully not only highlighted the capacity issues but focused on economic growth for the eastern England corridor. He made the good point that that should also include Peterborough, which is a fine city. He also recognised that, under many parties that have been in UK government, joined-up strategic plans that support our air industry have been missing for a great number of years.

Like other Members, the hon. Member for Luton North (Kelvin Hopkins) highlighted Luton and the need for a more strategic approach—there seems to be more speed behind that. He also highlighted the weaknesses

of the current report, which only considered the Heathrow-Gatwick dogfight. Many more passengers and cargo need to be moved from across the UK in a much more strategic way, rather than just focusing entirely on what he called a London-centric approach.

3.44 pm

**Daniel Zeichner** (Cambridge) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I also congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on securing this debate. He has been passionate about this issue for many years, and in a previous debate said that,

“the word ‘Stansted’ will be found engraved on my heart.”—[*Official Report*, 26 November 2015; Vol. 602, c. 1562.]

His contribution today confirms how strongly he feels about this issue, and particularly about the rail infrastructure linking Stansted to our region. Everyone who has spoken in this debate is united in wanting the best possible outcome for people in our region, a region whose economic prosperity and job growth have perhaps too often been let down by poor transport infrastructure. Alongside those concerns, many of my constituents in Cambridge—I share their concerns—feel just as strongly about the environmental and community factors linked with airport expansion, which must always be weighed carefully against the economic and operational arguments for expansion.

We have had some strong contributions today. I am delighted to say that three quarters of the members of Labour’s east of England parliamentary team are here today—it is amazing what can be done with statistics. I am delighted to hear the kind words of my right hon. Friend the Member for East Ham (Stephen Timms), for which I thank him. He has always been a good friend to Cambridge, which we have always appreciated. He made a series of points about the important role of London City airport.

Obviously, my hon. Friends the Members for Luton South (Mr Shuker) and for Luton North (Kelvin Hopkins) also require commendation. My hon. Friend the Member for Luton North is always a passionate advocate for Luton—both my hon. Friends always are—but I was particularly struck by his comments on the opportunities offered by new aircraft, which brings something new to the debate.

There were also strong contributions from Government Members, including my regular sparring partner from up the road, the hon. Member for Peterborough (Mr Jackson). On this occasion, we probably find ourselves much more in agreement than on some other occasions. His points about regional connectivity were very well made. It was good to hear some kind words about Cambridgeshire’s guided bus, which has been much maligned over the years, but I agree is now doing rather well.

I think we can all agree that the aviation industry is important to Britain’s economy. As we have heard, it generates some £50 billion in GDP, 1 million jobs and £8 billion in tax revenue, servicing and connecting millions of passengers every year. On Labour’s side there is no doubt that if Britain wishes to remain a global player in the aviation market and to enjoy the subsequent economic benefits, there is a strong case for a new runway in the south-east. Heathrow is operating at full capacity while



Gatwick is operating at 85%. The Airports Commission has found that, without action, the entire London airport network would be operating at the limits of capacity by 2040.

As the Opposition, it is our job to scrutinise decisions on airport expansion made by the Government whom we are opposing. That puts us in a slightly difficult position because, of course, the Government have been unable to set out that decision, breaking their own promises and leaving the country effectively on hold. The Prime Minister guaranteed a decision by the end of last year but is now dragging his heels. Meanwhile, the Secretary of State for Transport has said only that he hopes to make a decision this year. That strategic dithering is not only farcical and weak; it is completely unacceptable. It potentially means years of additional uncertainty for people living close to airports. That tactical indecision is also economically damaging. Furthermore, considering that the Government have claimed that the delay on airport expansion is for environmental reasons, it seems absurd that they are not backing the industry's attempts to deliver cleaner fuels. Aviation is not included in the renewable transport fuels obligation, thereby damaging potential investment.

In addition to their promise to unveil a decision by the end of last year, the Conservatives also pledged in their 2010 manifesto not to add a runway to Heathrow, Gatwick or Stansted, which means there is likely to be yet another promise renege upon by the Government. It seems that we will just have to wait and see which one it will be.

**Sir Alan Haselhurst:** I do not wish to take away from the hon. Gentleman's kind words on those matters on which we are in accord, but I am slightly disappointed that he has chosen to bring party political differences into the debate. There is blood on all hands over the years as far as airports policy is concerned. I could somewhat mischievously say to him that, had a Government of his political colour not cancelled the Maplin project in 1974, we would not be in the difficulties we are in now.

**Daniel Zeichner:** I thank the right hon. Gentleman for that point. As a historian, I always find it interesting to note which point in history people like to go back to in order to attribute blame but, as the Opposition representative in the Chamber, I fear it is my role to make these important points about the potential damage being done to our country by the Government's lack of decision. We shall see. Probably after the London mayoral election, all will become clear.

Once the Government set out their expansion recommendation, we will be able to examine its relative merits properly based on four tests that the Labour party has set out, including commitments to meet our legal climate change obligations and mitigate local environmental impacts. Only then can we truly assess the impact that expansion will have on the south-east, the wider Anglian region and the rest of the UK.

We know now that, regardless of the decision made, its effects will not be felt quickly. A new runway will take about a decade to come into being, even without further delay in Government decision making. Thus any short-term changes should positively impact the connectivity of our country, including our region. Indeed,

the fourth test that Labour set out to inform our response before the publication of the Airports Commission report was that the benefits of any expansion should not be confined to London and the south-east. The Government might be standing still, but the aviation industry will not. We must act to help connect UK businesses and people with new markets and places in the meantime.

The Airports Commission has also called for the improvement of surface access links to other airports, which has formed the basis for much of our discussion in this debate. In its response to Network Rail's consultation on the Anglia route strategy, the Airports Commission called for a more joined-up approach to meeting the needs of Stansted airport users. Improving rail infrastructure to Stansted is a key request of both Stansted and the London-Stansted-Cambridge Consortium. It is worth noting in passing that the current Stansted Express service uses a relatively new fleet of trains introduced under a Labour Government.

**Mr Shuker:** My hon. Friend is making the point that surface access is key to all airports, including Luton airport in my constituency. It sets the airport's reputational standard. People do not judge an airport based only on the airlines, the airport itself or the journey there but on the whole experience. Certainly in Luton, surface access is letting us down at the moment.

**Daniel Zeichner:** My hon. Friend is absolutely right. I suspect that we can all agree on that. I assure the right hon. Member for Saffron Walden that we heartily agree with his argument about improving surface access. I am absolutely sure that local commuters would benefit, including those in my constituency. We can agree that the Government should invest in a West Anglia line, making life that little bit easier for many in our region.

To conclude, the Government need to stop dawdling and decide. Until they get their policy off the ground, we will be unconvinced that they are taking environmental concerns and capacity needs seriously. While in this state of flux, the Government could still take decisive steps to improve access to our country's airports, helping provide short-term solutions to capacity and connectivity problems. Anything less would do a disservice to people and businesses in our region and across the UK.

**Mark Pritchard (in the Chair):** Before I call the Minister, I remind him that, under the new Standing Orders for this Parliament, as I am sure he is aware, the mover of the motion is allowed two or three minutes to wind up the debate. I remind the mover of the motion that if he wants the question to be put formally, he must allow the Chair at least 30 seconds to do so.

3.53 pm

**The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill):** It is a great pleasure to serve under your chairmanship, Mr Pritchard. I congratulate my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) on securing this debate. I enjoyed his recap of the history of Stansted; I do not think I grimaced even once. He talked eloquently about the importance of airports not only for the Anglian region but for maintaining the UK's air connectivity and for jobs and economic regeneration across the country.

[*Mr Robert Goodwill*]

I therefore welcome the opportunity to respond to the debate on behalf of the Government.

I hope my right hon. Friend will be encouraged that we all have the same interests at heart. I acknowledge his specific points about the continued and future importance of Stansted airport. Indeed, I have visited some of the facilities with him to see them at first hand. I made a point of travelling there by train, so that I could experience that journey myself. When I visit airports, I try to travel in the same way as members of the public in order to experience the whole journey that they would cope with in some cases or enjoy in others.

As my right hon. Friend mentioned, Stansted is one of the largest employers in his constituency, employing 11,500 people on site across 200-plus companies. It provides significant economic benefits not only locally but to the wider Anglian region by supporting the globally competitive high-tech and biomedical industries, not least in the constituency of the hon. Member for Cambridge (Daniel Zeichner), who speaks for the Opposition.

This is a timely debate, given the Government's recent announcement on airport expansion in the south-east. The Airports Commission set out a convincing case for new runway capacity in the south-east by 2030, which the Government have accepted. We also accepted the commission's final shortlist of three schemes. It is vital that we get the decision right so that it will benefit future generations, which is why we will consider further the environmental impacts and continue to develop the best possible package of measures to mitigate the impact on local people and the environment.

**Mr Jackson:** Mr Pritchard, I was remiss earlier in not saying what a delight it is to serve under your chairmanship. Does my hon. Friend agree that, in terms of sustainability, it is also important to concede that even during the 10 years that we have been in the House, aircraft have become cleaner and quieter? There have been big technological changes in the development of aviation fuel, for instance. The aircraft industry and airlines are much more sustainable than they have ever been.

**Mr Goodwill:** My hon. Friend is absolutely right that aircraft have become much quieter. Each generation of new aircraft is quieter than the previous one. Of course, the problem with aviation tends to be the very long life of aircraft. Cars might have a 10, 12 or 15-year turnaround, but many 25-year-old aircraft are still flying. Turnaround happens more slowly in the aviation sector, but it is good news that both Boeing and Airbus have thick order books and that companies such as easyJet, which is based in Luton, are buying new aircraft. We heard that, at London City airport, new Embraer aircraft are providing quieter and cleaner journeys.

Of course, air quality around airports is not just about aircraft. In some cases, it is mainly about other sources of pollution, particularly NOx from traffic. I need not remind Members of the problems that we experienced last year with vehicles that did not come up to the emissions standards that might have been expected from the lab tests. That is one factor that we must consider to see how we can improve air quality in areas, particularly London, where air pollution has not decreased

as much as we would have expected based on the replacement of old vehicles with new vehicles that perform to Euro 6 standards.

Crucially, the timetable set out by the Airports Commission for delivering additional capacity to the south-east by 2030 will not alter. My right hon. Friend the Member for Saffron Walden will, I am sure, appreciate the importance of airports for businesses and residents in the Anglian region. This debate has shown that it is not just larger airports such as Stansted and Luton that are important to the Anglian region; some of our small airports also play a key role in supporting the economic growth of the regions that they serve. The Government have always made it clear that regional airports make a vital contribution to the growth of regional and local economies as a way to provide convenience and travel choice for air passengers.

**Kelvin Hopkins:** Has the Minister, or have the Government, been lobbied by a group that seems to make a reasonable case for expanding all the airports as a better way forward than an extra runway at Heathrow? I leave it with him; I have not definitely made up my mind one way or the other, but there seems to be a case.

[*MR CHRISTOPHER CHOPE in the Chair*]

**Mr Goodwill:** Virtually every airport that I have visited around the country shows increased passenger numbers and investment, both by the airports themselves and by the airlines that use them. I support the growth of regional airports. It is all about choice. We have a fantastic opportunity in this country to provide more choice, aside from the arguments that we will revisit later this year about the main decision on airport capacity at either Gatwick or Heathrow.

The smaller regional airports help to encourage investment and exports. They provide valuable local jobs and fuel opportunities for the economic rebalancing of their wider region or area. In the 2013 aviation policy framework, we emphasised the importance of regional airports for the availability of direct air services. Indeed, I prefer to call them local international airports rather than regional airports, because if someone lives in a region their local airport is their international airport.

Flights from those airports help to reduce the need for air passengers and air freight to travel long distances to reach larger UK airports. The Civil Aviation Authority's statistics for 2014 show that the UK's regional airports handled 92 million passengers, which was about 39% of the UK's total. That underlines the point that the hon. Member for Luton North (Kelvin Hopkins) made about the importance of regional airports. Services from UK regional airports operated to more than 100 domestic and international destinations.

It is heartening to see that many of the airports that were impacted by the economic downturn a few years ago are now seeing real growth again, like the rest of our economy, and we want to see that growth continue. We warmly welcome the ambition of the UK's airports. They are responding to local and regional demands by investing in their infrastructure to enable services to more destinations, better facilities and more choice for their passengers. That is particularly true for airports in the Anglian region.

At Stansted airport, passengers are seeing the benefits of a £260 million investment programme. That funding is transforming the airport and the passenger experience, with a terminal upgrade, improved security and immigration areas and investment in car parking facilities. It is not just the passengers who are benefiting from that investment. The airport has recently invested half a million pounds in a new education centre for five to 18-year olds to create an inspirational airport-themed learning environment for the local communities. That will encourage the next generation to consider jobs in the aviation industry. Indeed, I was pleased to hear about similar work being done at London City airport.

At Luton airport, a £100 million investment programme is seeing expansion of the existing terminal, investment in the latest security scanning technology and improvements to the airport's forecourt.

Southend airport did not get much of a mention today, which I was a bit disappointed about. However, I will visit it in two weeks' time. Substantial redevelopment of the airport has seen a new control tower, a dedicated rail station, improved terminal facilities and a runway extension. The Secretary of State for Transport had the pleasure of opening the new £10 million extended passenger terminal back in April 2014. Private sector investment at Southend airport has also meant the dedicated railway station being opened, providing direct rail links to the airport for passengers travelling on the line between Southend Victoria and London Liverpool Street.

We have heard from almost everyone who has contributed today that good surface access links to our airports are essential, because getting to and from an airport as quickly and easily as possible is vital for passengers. Also in Southend, investment by the Government is seeing improvements to routes in and around the town, including those to the airport. More than £38 million of funding has been provided through the local pinch point fund and local growth fund. In addition, funding secured by the South East local enterprise partnership will see further expansion of the Southend airport site to create a business park, commercial developments and jobs.

The Government's plans for the first road period, from 2015 to 2020, include investments that will improve access to many of England's major airports. For Stansted, that will include a technology upgrade on the M11 between junctions 8 and 14—incident detection improvements, automatic signalling, variable messaging signs and CCTV cameras will all benefit those travelling to Stansted airport. Further improvements are scheduled for passengers travelling to Stansted by rail.

Between 2014 and 2019, which is control period 5, Network Rail will deliver the construction of a third track between Tottenham Hale and Angel Road and power supply improvements on the line, along with a new station at Cambridge science park. Those changes will benefit passengers from the rest of the Anglian region and from London who travel by rail to Stansted.

I am well aware that my right hon. Friend the Member for Saffron Walden chairs the West Anglia taskforce, which I understand is looking at ways of improving rail connections between London Liverpool Street, north-east London, Cambridge and Stansted airport. We look forward to seeing the taskforce's findings when they are presented later this year. During the debate today and

on other occasions—often over breakfast—my right hon. Friend has made his own position on the issue more than clear.

At Luton airport, we have funded improvements connecting the M1 spur to the wider motorway network, improving access to the airport and helping to reduce congestion. The South East LEP has also secured more than £21 million of funding to improve road access for passengers and planned development around Luton airport. By the way, we will also consider the recommendations set out in the Transport Committee's study of surface access to airports when they are published later this year. I was pleased to be able to give evidence to that Committee.

**Stephen Timms:** Given the Minister's remarks, does he recognise the potential benefit of the expansion that is proposed at London City airport? Of course, that expansion is now subject to a planning appeal procedure, but it is a potentially worthwhile and significant addition to airport capacity for London, the south-east and the Anglian region, which could be delivered quite quickly.

**Mr Goodwill:** I thank the right hon. Gentleman for making that point. I will be very careful about what I say in the light of the planning inquiry that is scheduled to take place in March. As he mentioned, the Secretaries of State for Transport and for Communities and Local Government will make the final determination on the application, so it would not be appropriate for me to comment. I very much enjoy using that particular airport. Indeed, I timed myself passing through security the last time I used the airport. It took just four minutes, which is just what members of the business community want. They want to arrive very late at the airport but still get on the flight, although I am not sure that the airport management would suggest that as a strategy.

Within the UK, airlines operate in a competitive and commercial environment, and we consider that they are best placed to determine which routes they operate and from which airports. We know that the commercial aviation market brings many benefits to air passengers. However, the Government also recognise that aviation plays an important role in connecting regions, so there may be occasions when aid is necessary to develop air services to airports where local economic conditions prove unattractive to airlines. However, we are conscious of the risk of competition being distorted by Government intervention in the commercial market. That is why we have been careful in balancing the commercial imperative with the need to provide support for new air routes from our smaller airports.

The Chancellor announced in November that 11 new air routes from smaller UK airports would be supported, with about £7 million of start-up aid over the next three financial years. Those routes—two of which are from Norwich airport and one from Southend airport—will begin operating from this spring, and they will provide domestic links between England, Scotland and Northern Ireland, as well as international connectivity to France, Germany, the Netherlands and Ireland.

**Mr Jackson:** The Minister is being generous in giving way. Will he undertake to continue to monitor the fiscal impact of air passenger duty, including on the growth of regional airports and on potential new long-haul routes? APD is an important issue, although it does not lie within his remit.

**Mr Goodwill:** Yes, I almost say without thinking that that is a Treasury matter. However, as my hon. Friend outlined in his speech, we have seen massive investment in road and rail, which has been funded in part by air passenger duty and other taxes. I point out that APD raises £3.2 billion per year, and the Chancellor has responded to concerns about it in a number of Budgets, not least by simplifying the banding so that people travelling on the longest-haul flights are not penalised. Most importantly, however, he has recognised the problems that many parents face with the high cost of flights during school holidays by bringing forward exemptions to APD for children. If there is one thing that I cannot criticise the airline and airport industries for it is making clear their views on APD.

My right hon. Friend the Member for Saffron Walden raised the issue of the A120 from Braintree to Marks Tey. In the July Budget, the Chancellor announced that the Government would co-fund a study with Essex County Council into dualling the last single-carriageway section between Stansted and the A12. That puts the scheme in a strong place for the next roads investment strategy. If funding is secured for the scheme, it could be one of the first schemes at the start of construction in roads investment strategy period 2, which I think is the equivalent of a control period in the rail industry.

The hon. Member for Luton South (Mr Shuker) talked gloriously about Luton airport and its benefits. Luton Borough Council is part of the east-west rail consortium of local authorities, and the rail investment strategy has made funds available for the reinstatement of passenger and freight services between Oxford, Bedford, Milton Keynes and Aylesbury. The infrastructure is expected to be completed by 2019, although the final stage of the electrification between Bletchley and Bedford will not be completed until 2020-21, to coincide with the electrification of the midland main line.

The hon. Member for Luton North also, not surprisingly, talked about Luton airport. Luton airport will assist the Department and Network Rail in examining the opportunity to secure four fast train services an hour to London. Upon completion of the Thameslink programme, the new franchisee Govia Thameslink Railway expects to operate 16 trains an hour between London and Luton Airport Parkway at peak times.

I have received a copy of the Oxford Economics study on the benefits of Luton airport, and I will consider the points made in it. Having visited the airport, I am aware that the short journey up the hill would be much improved were there a rail link, but given that such a link would benefit mainly the airport, it is not a project for which I would expect the taxpayer to stump up most of the money.

The hon. Member for Dunfermline and West Fife (Douglas Chapman) talked about the importance of connectivity to all parts of the United Kingdom, including Scotland. Indeed, part of the assistance that we are providing to build connectivity is helping airports in Scotland. He also said that we must not be London-centric. I say “Hear, hear” to that, coming from Yorkshire as I do. He wisely did not touch on Prestwick airport, which is now run by the SNP—the Scottish nationalisation party, as it is becoming—and he did not update us on how that is turning out. He shakes his head—I am not surprised.

The hon. Member for Cambridge was kind in recognising the high level of agreement on aviation issues, and I am pleased that we will be scrutinised in that spirit. He talked about the sustainability of aviation, which is a subject close to my heart. This year will give us a once-in-a-lifetime opportunity to secure a global market-based mechanism at the International Civil Aviation Organisation meeting, so that we can bear down on aircraft CO<sub>2</sub> emissions. I hope that that mechanism will be agreed later this year. Of course, airlines such as British Airlines and Virgin do tremendous work on alternative fuels produced from waste and from by-products of the steel industry.

I will give my right hon. Friend the Member for Saffron Walden plenty of time to sum up. The Government have established the right foundations for moving forward, gaining consensus and securing the benefits that aviation brings to the whole nation. We are clear about the economic and connectivity benefits that all our airports bring to regions and to business.

4.12 pm

**Sir Alan Haselhurst:** I am grateful to colleagues for their contributions to the debate, which, as I anticipated, has covered a wide range of points. In response to the right hon. Member for East Ham (Stephen Timms), I respect the role that City airport can play and I hope that it will not be constricted in its future development. I mentioned Stratford because I believe it will become an increasingly important destination for people coming down the West Anglia line and for those going up that same line to take up job opportunities in Essex and Hertfordshire.

I say to my hon. Friend the Member for Peterborough (Mr Jackson) that I share his worries about the cross-country service. Perhaps we need to consider how we can strengthen it. I plead with him not to refer to Boris island, because when Maplin was conceived and started to be implemented our hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) was probably still wearing short trousers.

My hon. Friend the Member for Colchester (Will Quince), in his brief intervention—he had to return to the Chamber—mentioned the A120, and the Minister’s words on that subject were helpful. It really has taken a long time.

The hon. Member for Luton North (Kelvin Hopkins) understandably spoke, as he always does, in support of Luton airport. Within its runway constrictions, I think that it has to look for point-to-point services, and there are possibilities there with the development of aircraft such as the Airbus A350 and the Boeing 787.

I say to the hon. Member for Dunfermline and West Fife (Douglas Chapman) that I sought to make a speech not wholly about benefits to my constituency but about a much wider area. One has to take a balanced approach, and in that sense I agree with the hon. Member for Cambridge (Daniel Zeichner). It is about quality of life versus economic prosperity, and we have to get the balance right. It is important to be able to draw employment and benefit from as wide a field as possible, rather than having to concentrate those things in any one particular area and give rise to a lot of popular opposition.

I am grateful for what my hon. Friend the Minister said, but we have no promises yet, and I hope that the West Anglia taskforce will deliver a message that gives

the Government confidence that the project must go ahead. That project was my starting point, and I believe it is the key to a major improvement for the whole region. Although the four-track section might have a price tag of £2 billion, it is in fact cheaper than some of the other projects that we need to carry out over time, and it is key if people are to have any kind of decent transportation in their everyday lives, and key to supporting businesses and the airport. I leave that with the Minister, as the kernel of what I have been trying to say.

*Question put and agreed to.*

*Resolved,*

That this House has considered the effect of airport expansion on the Anglian Region.

## Swine Flu Vaccination: Compensation

4.15 pm

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op):  
I beg to move,

That this House has considered the compensation for people with narcolepsy and cataplexy linked to swine flu vaccination.

It is a pleasure to serve under your chairmanship, Mr Chope. I thank Mr Speaker for allowing this debate on an important issue, and I thank the Minister for being here to respond to the concerns that I will raise on behalf of my constituent, Lucas Carleton.

I begin by saying something about vaccinations in the broad sense. We are fortunate in this country to have a robust and comprehensive vaccination policy. The policy has saved countless lives since its incarnation almost 100 years ago. Through our vaccination programmes, and those of other nations, we have successfully eradicated diseases such as smallpox across the world, and have reduced the number of people affected by polio by something like 98% over the past three decades. To this day, the advice from mainstream medical professionals and the national health service is that everyone should be vaccinated, not only to protect themselves but for the wider benefit of the communities in which we all live.

Historically, we have seen the tragic consequences of terrible epidemics that vaccinations can protect us against. For example, during the '20s and '30s, Spanish flu killed more people than the first world war had. Vaccinations, which are often brushed off in our everyday lives as a painful exercise, save thousands of lives a year, reducing human suffering and misery on a huge scale.

There is no serious scientific debate among mainstream scientists about the benefits of vaccination to public health—medical advice is clear that vaccination is one of the most successful and cost-effective public health measures—but vaccination is not without controversy. There have been a small number of instances when vaccinations have been responsible for adverse reactions, causing sometimes long-term and sometimes irreversible problems. I stress that that is rare, but tragically it is the reason we are here today.

During 2008 and 2009 there was a global swine flu pandemic, also known as the H1N1 pandemic. The particular strain of flu originated in Mexico, but it quickly spread, leading to the World Health Organisation issuing its first ever “public health emergency of international concern” declaration. Cases were confirmed in 171 countries and more than half a million people are thought to have died as a consequence.

During the outbreak, the British Government decided to purchase enough swine flu vaccine to immunise the entire population with two doses, meaning that 120 million doses were ordered. Almost 99% of the vaccines that were given out were Pandemrix, manufactured by GlaxoSmithKline—GSK.

Vaccines, as with all pharmaceutical products, are subject to extensive clinical trials. However, it is recognised that during a pandemic the trials may not be as rigorous as they would otherwise be, because of the demand to safeguard lives. Completing mass trials can take months or even years. For that reason, the European Union intervened and licensed Pandemrix for use within the EU, including the UK, without the completion of the

[*Stephen Twigg*]

normal rigorous trials. That was followed by advice from the UK's Joint Council for Vaccination and Immunisation, which advised that the Government begin immunisation to protect against a swine flu pandemic in this country.

As a consequence of the speeding up of the licensing process by both the EU and national Governments, GSK was not prepared to supply the vaccine to Governments unless it was given indemnity from any liability. The UK Government gave GSK that indemnity. For a number of reasons, other countries were much more cautious about granting an early licence. For example, the Food and Drug Administration in the United States had a policy of not licensing adjuvant vaccines—that is where a substance is added to vaccines to increase the body's immune response—without robust clinical trials demonstrating that they are safe. Adjuvant vaccines have additional chemicals that speed up the body's immune reaction to the antigen, and it is considered that that sometimes increases the risk of adverse reactions. That possibility led other countries, such as Switzerland, to license Pandemrix only for adults and not for children.

Pandemic swine flu vaccinations were added to the Vaccine Damage Payment Act 1979 by the Vaccine Damage Payments (Specified Diseases) Order 2009 in September 2009. The vaccine was added to the Act for the duration of the pandemic campaign, which lasted from October 2009 to August 2010. The campaign ended when the Swedish and Finnish Governments expressed concerns about a vast increase in the number of paediatric narcolepsy cases in children under 10. The condition usually shows symptoms in those in the 15 to 30 age bracket. It was not until August 2010 that the Swedish and Finnish Governments discovered a link with Pandemrix. On 1 September 2010, Finland stopped vaccinating with Pandemrix. The UK Government discontinued the pandemic campaign from the same date, but encouraged GPs to continue vaccinating with Pandemrix where no seasonal flu vaccine was available.

**Jim Shannon** (Strangford) (DUP): Figures indicate that one in 2,000 people have narcolepsy that is not related to vaccination. When it comes to compensation, how would the hon. Gentleman ensure that those who are vaccinated and are due compensation actually get it?

**Stephen Twigg:** The hon. Gentleman's intervention is timely, because he raises the issue to which I now turn. Lucas Carleton is a young boy who lives in my constituency in Liverpool. On 17 January 2011, he was vaccinated with Pandemrix. He was seven years old at the time and was in good health. His mother, Pauline, asked her GP to vaccinate Lucas because a family friend had recently been very ill with swine flu and, perfectly understandably, she believed it was a responsible step to get her son vaccinated. A week or two after Lucas received the vaccination, he began to experience excessive daytime sleepiness, which is a common characteristic of narcolepsy. He also started falling when he laughed or got excited, made strange facial expressions and experienced a loss of control of his tongue. That is known as cataplexy and is a common symptom of narcolepsy. After two to three weeks, Pauline sought medical help from a GP and Lucas was taken to hospital on a number of occasions. In August 2011, he was diagnosed with narcolepsy.

Narcolepsy is an incurable neurological disorder that until 1999 was classified as a psychiatric condition. Its main symptoms involve excessive daytime sleeping, hallucinations, sleep paralysis, temperature control problems and cataplexy. Cataplexy is a side symptom of narcolepsy that causes involuntary muscle relaxation brought on, for example, by laughing or anger. Narcolepsy begins in the hypothalamus, the part of our brain that controls our autonomic nervous system, which involves processes such as breathing and the regulation of the heart. Narcolepsy occurs when the brain cells that produce neurotoxins in the hypothalamus are destroyed, either through a trauma or through the body's immune system mistaking those cells as foreign bodies.

The Department for Work and Pensions has accepted that the Pandemrix vaccine is capable of causing narcolepsy in children. It has also accepted that, in many cases, Pandemrix did in fact cause narcolepsy in children. However, it disputes that narcolepsy amounts to a severe disability. That is an issue on which the DWP has been defeated in court, but I understand that it is appealing against the decision. Herein lies the issue: the 1979 Act recognises that there can be adverse reactions to vaccines that can cause severe and irreversible damage to patients. Since the Act was passed, around 900 people have been awarded compensation, which is a very small number when compared with the 650,000 children vaccinated every year. Compensation can range from £120,000 into the millions.

The pandemic swine flu vaccine was part of the 1979 Act from September 2009 until it was removed by the Vaccine Damage Payments (Specified Disease) (Revocation and Savings) Order 2010. That is preventing Lucas from claiming compensation, as he had the vaccine administered outside that period, in January 2011. If the pandemic swine flu compensation period was simply extended to April 2011, Lucas and others who had adverse reactions could claim compensation for the reaction to the vaccine.

**Julian Sturdy** (York Outer) (Con): The hon. Gentleman is making a powerful argument, and I congratulate him on securing the debate. My constituent Ben Foy sadly suffers exactly the same symptoms as Lucas, and the DWP has acknowledged that there is a link between Ben's swine flu vaccination and the development of narcolepsy and cataplexy. The Department appears to acknowledge that he is disabled as a result, as Ben is in receipt of disability living allowance, but it is saying that his case is not severe enough and there are no grounds for that disability compensation. As can be imagined, the family feel that that is a complete insult. Does the hon. Gentleman have any thoughts on that?

**Stephen Twigg:** I am grateful to the hon. Gentleman for making that point. While the focus of my remarks has been on the compensation period, there is clearly a related issue with the attitude of the DWP on the severity of disability. I concur with the important point that he raised on behalf of his constituent. A number of other families in other constituencies around the country are also affected, and I welcome the colleagues from all parties who are in the Chamber for this debate.

It is worth reiterating the point that the hon. Gentleman just made: the Government have accepted that there is a causal link between the vaccine and narcolepsy. Since 2014, the Department of Health has had responsibility

for the 1979 Act, which is a welcome change. Bringing the Department of Health into the process should ensure that responsibility for the legislation is controlled by health professionals, rather than benefits officials. That shift of responsibility can be a good thing for constituents like mine who have outstanding compensation claims. I am asking the Department for Health to extend the compensation scheme to make it possible for all citizens who have life-changing conditions as a result of vaccines to claim compensation. That is not only important for the individual families suffering as a consequence of adverse reactions; it is crucial to ensuring public confidence in the vaccination system.

**Peter Dowd (Bootle) (Lab):** Does my hon. Friend agree that the quality of life of people who have been affected or damaged by the vaccine is dreadful and quite deplorable? We should be doing something as soon as we can to sort that out.

**Stephen Twigg:** I thank my hon. Friend for making that point. He is absolutely right. In preparing for today, I was struck that some of the aspects of this subject are technical in character. It has been a little like going back to school and doing biology again in learning some of the terminology. What lies at the heart of the debate, however, is the lives of children and their families. I raised this issue on behalf of my constituent because I want to ensure that he and his family have the quality of life that any family should have the right to expect.

I was about to say that extending the compensation scheme is important not only as a matter of compassion and decency for the families concerned, but to ensure public confidence in the system of vaccination. There is barely a one in a million chance that people will react badly to a vaccine, so if it was certain that, were that to happen, there would be compensation, that would not only be right for the affected families but increase confidence in vaccination.

In conclusion, I am aware that the Department of Health has for some time been in discussions with the lawyer representing Lucas. I thank the Department for listening to my constituents' concerns, but, on behalf of Lucas and his family, I urge the Minister to do everything she can to ensure that those discussions are brought to a successful conclusion.

4.30 pm

**The Parliamentary Under-Secretary of State for Health (Jane Ellison):** It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate the hon. Member for Liverpool, West Derby (Stephen Twigg) on securing this debate. I am aware that he has sought to support his young constituent and his family on this difficult matter for a number of years, and we have written to each other about this case previously. I was very pleased that, despite this sad case, the hon. Gentleman emphasised his general support for vaccination programmes. We are lucky to have a world-class national immunisation programme. Such programmes are a vital way of protecting individuals and the community as a whole from serious diseases, so I am grateful for his sentiments in that regard.

The hon. Gentleman referred to the global swine flu pandemic and the arrangements for licensing drugs during a pandemic. Flu pandemics are natural phenomena.

They occur when a new flu virus emerges and spreads around the world and most people do not have immunity. Each pandemic is different. The nature of the virus, the population groups most likely to be affected and the impact cannot be known in advance. It is impossible to predict the severity of a new virus strain. Large swathes of the population can become infected over a relatively short period if transmission spreads rapidly. The potential impact of pandemic flu makes effective measures to limit the spread and morbidity of virus infection a public health priority. Countermeasures are employed in combination. Vaccination, when possible and appropriate, is one such countermeasure.

Thankfully, the H1N1 strain of swine flu turned out to be relatively mild, but we should not forget that it still caused more than 450 deaths in the UK. Pandemrix, the vaccine that the hon. Gentleman's constituent received, was developed specifically for use in a flu pandemic when the number of lives lost and people with serious illness could not be known. Once a new pandemic strain emerges, it takes several months to produce batches of a specific vaccine to protect against it. As a pandemic strain of flu generally spreads rapidly, there is of course little time to undertake large-scale clinical trials. To address such constraints, the European Medicines Agency has a mechanism for the fast-track licensing of pandemic vaccines to address the immediate public health threat. The mechanism includes accelerated clinical trials while permitting the use of the vaccine in advance of receipt of all the required clinical trial data.

It would be unfeasible to conduct very large clinical trials in the midst of a pandemic, when time is of the essence, to identify risks that are very rare. Indeed, regardless of the pandemic situation, very rare potential risks can generally be identified only after a medicine or vaccine has been licensed and used in the wider population. All Governments have a responsibility to protect public health. The decision to commence the swine flu vaccination programme, which was made by previous Ministers in 2009, would have been based on the expert advice of the Joint Committee on Vaccination and Immunisation, an independent expert committee that advises Ministers in the Department.

Pandemrix was used against H1N1 swine flu in the UK from October 2009 to March 2010. It was used again on a limited basis in the following flu season until March 2011. The hon. Gentleman has noted that his constituent received Pandemrix in January 2011, during the seasonal flu vaccination programme for winter 2010-11, rather than the specific response to the swine flu pandemic in 2009-10. As he noted, that is highly relevant. He summarised his constituent's experience and described the impact that narcolepsy and cataplexy can have on an individual. I very much assure him that I do not underestimate how distressing narcolepsy can be, for both those with the condition and their carers. Indeed, I was talking to a constituent about that very issue only this past weekend. I fully recognise the impact that narcolepsy can have on quality of life. It is important that anyone with narcolepsy, with or without cataplexy, receives the appropriate care and attention so that they can manage their illness.

At the time Pandemrix was used in the UK, no potential association with narcolepsy was known. Following suggestions of a possible association with narcolepsy, its use was stopped in the UK in March 2011, on the

[Jane Ellison]

advice of the EMA. The hon. Gentleman referred to the Vaccine Damage Payment Act 1979, which was designed to help to ease the burdens on those individuals to whom, on very rare occasions, vaccination has caused severe disablement. The degree of disablement is assessed on the same basis as for the industrial injuries disablement benefit scheme. It would not be appropriate to comment on the case raised by the hon. Gentleman.

Despite the title of this debate, I would like to clarify for the House that the vaccine damage payment scheme is not a compensation scheme. The hon. Gentleman referred to compensation ranging from £120,000 to millions of pounds; in fact, the VDPS provides a one-off, tax-free lump-sum payment of £120,000. The scheme does not prejudice the right of the injured person to pursue a claim against the manufacturer of the vaccine. As the hon. Gentleman alluded to, his constituent is pursuing that course of action and, again, it would not be appropriate for me to comment further on that case.

**Stephen Twigg:** I appreciate that the Minister cannot comment on an individual case in this forum and that the discussions are ongoing, but is she able to comment on the affected time period? It is the definition of the time period that is denying my constituent access to the scheme.

**Jane Ellison:** I am aware of that and will address it shortly, although I suspect the hon. Gentleman might be disappointed by what I have to say.

A VDPS payment is for those who are severely disabled as a result of a vaccination against those diseases listed in the 1979 Act and those that have been specified by statutory instrument since then. As I have already mentioned, the hon. Gentleman noted that his constituent received Pandemrix in January 2011; however, the Act relates to diseases, not vaccines. The list of specified diseases covered by the Act includes pandemic influenza A (H1N1) swine flu, where vaccination was administered from 10 October 2009 to 31 August 2010—the period of the swine flu pandemic. That was a temporary addition considered appropriate by Ministers at the time. The hon. Gentleman's constituent's vaccination was administered in January 2011, so it was not given for pandemic swine flu, which is covered by the Act.

**Peter Dowd:** GlaxoSmithKline was indemnified because there was an issue of risk—that is the whole point. Why are the Government not as quick to effectively indemnify the victims of this vaccine?

**Jane Ellison:** Perhaps it would be easier if I wrote to the hon. Gentleman after the debate to clarify that point.

As I have said, it appears from the timing that the constituent of the hon. Member for Liverpool, West Derby received the vaccine during the 2010-11 flu season. The 1979 Act did not cover seasonal flu vaccination at that time as it was not part of the routine childhood immunisation programme. Influenza was added to the Act as a specified disease in February 2015, but the order stipulated that the vaccination against influenza must have been administered after 1 September 2013, when flu vaccination became part of the routine childhood immunisation programme. Unfortunately, that will not assist the hon. Gentleman's constituent. I am afraid that it is not possible to accept a claim outside the conditions laid down in the Act. I recognise that that aspect of the scheme has produced an unfortunate result in this case, but we must work within the confines of the law. The Act has been in place for many years on the basis of disease rather than vaccine, and the Government currently have no plans to change how the scheme is run.

Of course, I have sympathy for the case that the hon. Gentleman has made on behalf of his constituent, and I recognise the frustration and disappointment that his constituent and his family will feel at my response. This is a complex topic, with no quick or easy answers, as successive Governments have found. I stress, though, that the VDPS is only one part of the wide range of support and help available to severely disabled people in the UK. Other examples include the disability living allowance, which provides an important non-contributory, non-means-tested and tax-free cash contribution towards the disability-related extra costs for severely disabled children. I encourage the hon. Gentleman's constituents to consider what other entitlements might be available. I know that the hon. Gentleman will continue to offer Lucas and his family every support in that regard.

*Question put and agreed to.*



## Access to Jobs: Disabled People

4.40 pm

**Ian C. Lucas** (Wrexham) (Lab): I beg to move,

That this House has considered access to jobs for disabled people.

It is a pleasure to address the Chamber under your chairmanship, Mr Chope. It is important when assessing the impact of Government policy and judging its success to look closely at the individuals we represent. We must bring to the attention of Ministers—I know this particular Minister quite well by now, and I know that he is assiduous in his duties—individual cases that we consider representative of the failure or success of Government policy.

I want to talk about a constituent of mine, Margaret Foster, whom I have come to know quite well over a number of years. Margaret has suffered from cerebral palsy from birth. She has been directly affected by Government disability policy in recent years, because for 26 years she worked at the Remploy factory in Wrexham. During that period, she was a taxpayer who contributed to her community and all of our communities by paying taxes and working hard in her job. She did not particularly like her job; she is quite frank about that. She is a very bright woman, and she felt that it did not stretch her capabilities. Nevertheless, she held down the job for 26 years and took great pride in it.

I first met Margaret in about 2007-08, when the then Labour Government proposed to close the Remploy factory in Wrexham. I argued against that proposal at the time, and I was pleased ultimately to win the argument to the extent that the factory remained open in 2008. Unfortunately, the coalition Government revisited the issue of Remploy in 2012 and decided to close the factory in Wrexham, as they did a large number of Remploy factories across the country, affecting many disabled people.

**Ian Lavery** (Wansbeck) (Lab): I congratulate my hon. Friend on bringing such an important issue to the House. Does his constituent feel as betrayed as my constituents about the Government's broken promises about the closure of the Remploy factories? The Government guaranteed support into employment, which is not there any more, but more than two thirds of the people in my constituency who worked for Remploy have not been able to get employment since the closure of the factories.

**Ian C. Lucas:** Part of the reason why I secured this debate is to point out the failure of Government policy and the way in which it affected Margaret, who worked for Remploy for 26 years. Since the Prime Minister and the Conservative-Liberal Democrat Government decided to close Remploy, making Margaret redundant, she has not been in employment for a single day and has not been offered a job.

Rather than being a taxpayer, Margaret now lives on benefits. She has an income from the disability living allowance, and she receives an enhanced level of mobility allowance—£57.45 per week—and the middle-rate daily care component of £55.10 per week. She has even been refused employment and support allowance. When the initial assessment was made, she received no points.

Even on appeal, she was given only nine points. She needs 15 points to qualify for the allowance. How can the disability benefits system present a case such as Margaret's? She wants help to work and has been disabled from birth, but does not qualify for the benefit put in place by the Government supposedly to support her into work. What does the fact that the taxpayer is not supporting Margaret in her attempts to find work say about the Government's policy?

**Richard Graham** (Gloucester) (Con): The hon. Gentleman is telling a powerful story about his constituent, Margaret. Is he aware that in Gloucestershire we recently launched a programme called Supported Internships? Remploy was a partner, as were the local authority, the local further education college and two employers. Supported internships are an effective way for people with significant disabilities to get back into employment.

**Ian C. Lucas:** I have no doubt that they can be, but I am afraid they are not happening.

The 2014 labour force survey recognised that, "disabled people remain significantly less likely to be in employment than non-disabled people."

There is a 30.1% gap between levels of employment for disabled people and non-disabled people. I welcome any efforts to find internships and support individuals into work, which is what we all want. Margaret was in work when the Government decided to close Remploy factories, and we were told at the time that they would support those disabled people into jobs in the mainstream. When Remploy in Wrexham was closed and Margaret was put out of work, we received all sorts of assurances about how disabled employees would be helped into the mainstream jobs market.

**Chris Evans** (Islwyn) (Lab/Co-op): I lost a Remploy factory in Croespenmaen in my constituency, and the Welsh Government Minister at the time offered to take on the Remploy factories on the proviso that the Westminster Government devolve the Remploy budget to the Welsh Assembly. Does my hon. Friend think it is an absolute shame that, rather than looking at that proposal properly, the Westminster Government flatly said no to those Remploy workers?

**Ian C. Lucas:** It is a matter of profound regret that the Welsh Government's helpful offer to take over responsibility for the Remploy factories in Wales was not taken up. Their constructive effort to address this issue was rejected out of hand. Consequently, the 35 or so people in Wrexham who would have been in work if the Welsh Government had taken on the responsibility for ensuring that the factories remained viable lost their jobs, and Margaret has remained out of work ever since.

Margaret is not alone. I am grateful to the large number of organisations that are interested in the fact that I secured this debate and forwarded me numerous briefings, all of which I have read. Time does not allow me to refer to them in detail, but Mencap said:

"Current back-to-work support for disabled people has proved ineffective. Job outcomes for disabled people on the Work Programme are low at only 8.7 percent"—

nine people out of 100—

"for new ESA claimants, and 4.3 percent for other ESA/Incapacity Benefit customers."

4.50 pm

*Sitting suspended for a Division in the House.*

5.2 pm

*On resuming—*

**Mr Christopher Chope (in the Chair):** Since all the key players are here, I call Ian Lucas.

**Ian C. Lucas:** Thank you, Mr Chope. It is always good to be described as a key player.

I was quoting Mencap:

“Work Choice, the Government’s specialist employment support programme, is ineffectively targeted and offers support to a small number of disabled people with just 17 percent of referred customers claiming ESA. This represents only a small proportion of disabled people who are looking for work and it is unlikely that many people with a learning disability are benefiting from it.”

Incredibly, between 2011 and 2015 the number of jobcentres employing a full-time adviser to help disabled people fell by more than 60% from 226 to only 90, with reductions in every recorded year. It is only going to get worse. Under the Welfare Reform and Work Bill, which is being considered in the Lords, employment and support allowance for those in the work-related activity group will be cut by almost £30 a week for new claimants from April 2017.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Given the context that the hon. Gentleman is describing and the shocking statistics that he is giving us, is it not not in the least surprising that 3.7 million disabled people in this country live in poverty? That number increased by 300,000 last year and will only get even worse in the light of the issue that he is raising.

**Ian C. Lucas:** Absolutely. We want to get people into work. The irony of Margaret’s case is that she was put out of work. The responsibility must rest with the Government. I am not talking about a private sector job, but about a job taken away by a Government led by our current Prime Minister. He must take full responsibility for that, and it makes me angry.

Seventy per cent. of respondents to a recent survey carried out by the Disability Benefits Consortium said that the £30-a-week cut would affect their health and more than half said that it would mean them returning to work later. So constituents are now approaching us. Margaret is only one example, but it is important to refer to individual cases—one of the benefits of being a Member of Parliament, having constituency surgeries and getting to know our constituents, is learning from them how they are directly affected by Government policy. I want the Minister and everyone in the Chamber to be aware of how Margaret has been affected by Government policy, because if the Government really want to address the situation that they have created for someone such as her, they must give proper support to those who are unemployed.

The mentoring scheme that the hon. Member for Gloucester (Richard Graham) mentioned sounds like a good one, but we need more of them. We need to find placements for disabled people to give them experience of work and to give them the opportunity to be in a workplace. If someone who has worked somewhere for 26 years has that job taken away by their own Government,

that Government have a responsibility to persuade employers to ensure that such people have an opportunity to go to a different workplace and to have proper support.

**Natalie McGarry** (Glasgow East) (Ind): I congratulate the hon. Gentleman on securing the debate.

My constituent worked in Remploy, as Margaret did, under a skilled seamstress. She has learning disabilities and although she has worked since, it has been in wholly unsuitable jobs. The ESA group to which she has returned is the WRAG, and the concern for people such as my constituent is the disincentive to go to work because of cuts for new claimants in the WRAG. Does the hon. Gentleman agree that that threat of having less work will not promote work for people such as my constituent and Margaret? When things go wrong and their disabilities perhaps prevent them from being able to carry out their employment—

**Mr Christopher Chope (in the Chair):** Order. I understood the hon. Lady to be making an intervention, rather than a speech.

**Ian C. Lucas:** It is difficult for me to respond to a speech, Mr Chope. I might get an opportunity later, but in view of the number of people present I should move on for now.

We need support, incentives for employers and mentoring of employees. None of that has happened for Margaret in my constituency since 2012. Margaret is only one example and there are many more. Many more people who were made redundant by the Government were told that they would be able to go into mainstream employment, but have not been able to do so. Some are now not even being provided with support through the ESA. As a consequence, they remain unemployed.

I want to hear from the Minister that the Government have a real intent to address the issue. He should be providing the level of support to which I believe citizens such as Margaret are entitled. The Government failed following the closure of Remploy. They have let Margaret and others such as her down. The Government need to up their game, because people’s lives are being destroyed and they are suffering because of ill-advised and improperly implemented Government policies.

5.8 pm

**Paul Maynard** (Blackpool North and Cleveleys) (Con): It is a pleasure to serve under your chairmanship, Mr Chope. Given the number of people wanting to speak, I will keep this as brief as I can.

When I saw the name of the hon. Member for Wrexham (Ian C. Lucas) leading on this debate, I rather suspected that we might dwell a bit on Remploy, because he has a long track record of campaigning on the issue. He is, however, right to draw attention to the plight of his constituent. Personally, I take a much wider view of disability employment. On many occasions I have said that I regard Remploy as but one model, and a model that harks back to a different era of how we saw disabled people fitting into the workplace.

I know that people rarely read election manifestos—I make the effort to read my own at least, if not the Opposition’s—but one of the proudest moments of my

life was to see in the Conservative manifesto for the 2015 election a commitment to halve the disability employment gap. Such a commitment cannot be seen in any other party's manifesto—only in the Conservative party's. I for one am proud of that fact. I am equally proud of the fact that, over the past two years, we have got 340,000 more disabled people into employment, although I recognise that there are individuals who have not benefited and that there are always detailed reasons for how things can be done better.

**Julian Knight** (Solihull) (Con): I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing this important debate, which should be not only about what has happened over the past two years, but about what is in the spending review. As I understand it, the spending review included a real-terms increase in the Access to Work budget for disabled people. Will my hon. Friend reflect on that for a moment?

**Paul Maynard:** I certainly will. I served with the shadow Minister on the Select Committee on Work and Pensions, where we looked at the Access to Work scheme in some detail. I am sure we had different interpretations of what we heard, because we normally do, but that is a really important project that the Government have at their disposal—it is often described as their best-kept secret.

We could do far more on Access to Work, which is one of the few uncapped Government benefits in the sense that no artificial cap has been placed on the overall amount spent. It is really important that we realise that and understand what else it could do. It is not just for critical adaptations any more. The number of people with mental health conditions who benefit from Access to Work has increased by 202% since 2010—it has more than doubled.

That demonstrates a really important point that I want colleagues on both sides of the House to understand. Once upon a time, disability employment was about physical access: the nuts and bolts of equipment, doorway widths, desks and chairs and so on. While that remains important, today, mental health issues are just as important, but they do not get sufficient attention.

I hope Opposition Members will join me in paying tribute to the Minister's commitment. He is working tirelessly to pursue the goal of halving the disability employment gap. The Disability Confident campaign occupies a great amount of his time and I know that he is personally committed to it. We should welcome that. In the previous Parliament, we saw frequent changes in the identity of the Disability Minister. I sincerely hope that our current Minister stays in his post for the entire Parliament—he may not wish that, but I do, because he is doing a superb job.

To return briefly to Access to Work, while one may think that the entire picture is rosy based on what I have said, it is far from that. Certain groups in the disability community are really struggling to get on to the employment ladder, such as those with learning difficulties and autism in particular. The hon. Member for Wrexham quoted the labour force survey and, I think, the 47.6% figure in it, which I saw in the Mencap briefing, too. There are arguments about the starting point, but, while the overall employment gap is 19%, for groups such as those with autism it is significantly greater than that and much more challenging.

If I had to give one recommendation to the Government, it would be to ensure that Access to Work is available at the pre-employment stage when people are looking for work. The employer needs confidence that Access to Work will be available. It cannot be something for them to discover after they have made a leap of faith to take a person on. That would be one way in which Access to Work could benefit a new group of people.

I am fortunate enough to chair the all-party parliamentary group for young disabled people and, when a few months ago the muscular dystrophy campaign Trailblazers did a short report on the right to work, it found that much more support was needed at the job-seeking phase of engagement with employment. That cannot all occur after employers have decided to employ someone, because only then can they start solving some of the practical problems.

There is a wider reason to increase disability employment not just for the sake of human dignity and equality, but, I am afraid to say, for fiscal reasons, too. If we can halve the employment gap, the gain to the Treasury, according to Scope, is somewhere in the region of £12 billion. That is a sizeable sum of money that should not be ignored by any Chancellor of any political persuasion.

I also want to make a plea. To go back to my point about Access to Work, one of the avenues I pursued in the Select Committee's inquiry was the similarity between the ultimate purpose of disabled students' allowance and Access to Work, which are both about allowing people to participate in their place of work, be that a college, university or workplace. I still struggle to understand why they are managed by two different Departments on different sets of procedures and with different criteria. It would be far better to bring them together, because they both seek to equip people to function in everyday life. I urge the Minister to look at that.

I will move on to my final point, because, while there is much more I could say, I want others to be able to contribute. No one should underestimate the difficulty of halving the gap. That will not be easy. I know that policy makers like to use the cliché "low-hanging fruit." That is a disrespectful way to talk about individuals, but some will be closer to the workplace than others and it will be easier to get them into it. The difficulty will come when those with much more complex needs that are more costly to address come into play in terms of meeting the goal.

No one should underestimate the courage, ambition and confidence that young people need to try to seek work. A young person in their teens is probably still in the family home and in the school environment that they have always been in. To a certain extent, they are in a safe environment. It is not until one gets out there and tries to find a job that one really discovers the existence of prejudice against the disabled in society. That can be quite a shock to many young people—it certainly came as a shock to me. I was not expecting to encounter it when making job applications, yet I rapidly ran into it and I do not consider myself to have a particularly severe form of cerebral palsy at all.

When we discuss disability employment overall, it is worth remembering that we need to encourage young people. They do not aspire to a lifetime of supported employment and their families do not aspire to that on their behalf, either. They want full equality in the workplace and we must do all we can to make that happen. It is not

[Paul Maynard]

easy. I do not doubt that it is a very ambitious target. We are making progress now, but there is no guarantee that that will continue for ever. I therefore thank the Minister for what he is doing. I have offered a few helpful suggestions and I look forward to hearing what other Members have to say.

5.16 pm

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I start by congratulating the hon. Member for Wrexham (Ian C. Lucas) on bringing this extremely important debate. I will declare an interest: I previously worked with individuals with disabilities and I chair the all-party parliamentary group on disability.

The importance of employment to those who are disabled should not be underestimated. As for all members of society, having a job is not just about earning a living; it also contributes to psychological wellbeing. A job, and the day-to-day experiences that come with it, can provide people with a sense of belonging and purpose. It can help them to build confidence and self-esteem. It can also help to provide social opportunities for people who may otherwise be vulnerable or isolated. In addition, closing the disability employment gap and helping people to reach their full potential has benefits for society and our economy as a whole. The Conservative party committed in its manifesto to halve the disability employment gap, although at present there appears to be no comprehensive strategy on how that is to be fulfilled.

Changing Faces has highlighted ongoing issues with attitudes and stigma, which can affect the employment prospects of people with facial disfigurements. Low confidence and poor expectations can also be internal barriers for disabled people.

Yesterday, my office team met Callum Russell, who is blind from birth and the founder of disabledgapyears.org, which seeks to encourage and enable young people with disabilities to volunteer on a gap year or a shorter-term project. The key point Callum highlighted was the benefits of such opportunities being available to those with disability.

I want to speak only briefly, because I am aware that so many people wish to contribute, but in addition to securing jobs it is also extremely important that the Minister considers enabling people with disability to start their own business and supporting people to maximise their skills and abilities in that realm. I am pleased to have been able to speak in this important debate. This is an area that the APPG will focus on and inquire into in the next 12 months. It is critical to address that, which is about empowerment, enablement and, ultimately—this is one of my favourite words—*independence*.

5.19 pm

**Mrs Flick Drummond** (Portsmouth South) (Con): It is a pleasure to have the chance to speak on this incredibly important topic. I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing the debate.

As my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) mentioned, the Conservative party committed in its election manifesto to help open

up opportunities for the disabled, which I was very pleased about. The Prime Minister's speech yesterday repeated the theme that the Government must be the enabler of people and the destroyer of prejudice. It is not just about providing this or that service.

Many great national third sector organisations such as Mencap, Scope, the Royal National Institute of Blind People and Action on Hearing Loss do so much to help those with disabilities, and we all welcome and appreciate the work they do. We are fortunate in Portsmouth to have some great work being done to support those with disabilities by the Beneficial Foundation—I declare an interest as patron of that organisation. It is a great organisation that works with people with a variety of needs, and I had the pleasure of showing the Prime Minister the work it does in 2014 when he visited Portsmouth.

I know from discussions I have had with the Beneficial Foundation's chief executive, Jenny Brent, that finding a job or placement is just the first step in a journey back into secure and rewarding work for anyone with a disability. It is vital that there is support for that disabled worker in terms of adaptations so that they can do their job and have equal access to facilities.

**Julian Knight:** Will my hon. Friend reflect on the Disability Confident events that are run around the country, which bring together charities, employers and potential employees and help to bring people into the workforce?

**Mrs Drummond:** We have had examples of that in Portsmouth too. It is extremely important, as with any job fair, that people know exactly what opportunities are out there.

It is equally important that others in the workplace understand the needs of disabled workers and what disabled workers do not need. There is a difference between treating someone with respect and perhaps unintentionally adopting patronising attitudes. Organisations such as the Beneficial Foundation offer in-role support to both the disabled employee and their colleagues, ensuring that everyone makes the most of the opportunity.

**Kevin Foster** (Torbay) (Con): I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing the debate. Does my hon. Friend agree that we need to encourage people to look not at a person's disability but their ability, to ensure they can bring that out?

**Mrs Drummond:** Yes, and if more organisations did that, many more people with disabilities would be employed. That is a message we must put out.

Local organisations are able to develop strong links with businesses and respond both quickly and flexibly. We know that there is still a big challenge to ensure that the disabled are able to take advantage of opportunities. The Access to Work programme helps a large number of people to overcome their physical disabilities in the workplace, but given our focus on achieving parity of esteem for those with non-physical conditions, I am pleased to see that Access to Work is also helping a growing number of people—the number has doubled since 2007—with dyslexia, learning difficulties or mental health conditions.

Everyone will welcome the Prime Minister's speech yesterday on opening up opportunities across society. I am pleased that the state is standing up for its responsibilities as an enabler and not just a provider.

5.23 pm

**Chris Evans** (Islwyn) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing this timely debate. Like him, whenever I think of Remploy, and particularly its Croespenmaen factory in my constituency, I feel anger, because I remember standing in the factory canteen on the day when it was announced that the Remploy factories were going to be closed. Some people were in tears and many were angry, begging me to save their jobs, but there was nothing I could do. That was one of my worst days as a Member of Parliament.

When that factory was under threat in 2007, the Remploy workers and the management did not sit back and protest. They went out and found business in the market. Indeed, one of the last acts of my predecessor, Lord Touhig, in 2010 was overseeing the signing of a contract between the blue chip company BAE Systems and Remploy to provide packaging.

What made me even more angry during that period was not only all the hard work that had gone to waste, but, as I mentioned in my intervention, what happened when the Welsh Assembly asked whether the Westminster Government would consider devolving the budgets so that it could provide a future for Remploy. When my right hon. Friend the Member for Cynon Valley (Ann Clwyd) raised the issue at Prime Minister's questions, the Prime Minister gave a commitment to look at it. Unfortunately, the question was met by the Department with a big fat "no".

The comment by the Secretary of State for Work and Pensions at the time that Remploy workers were only good to make a cup of coffee rubbed salt into the wounds and was absolutely damning. I try to hold back my anger when I think of comments like that. There was never an apology, and I am ashamed to say that that man is still in post.

I will, however, say this: there is nothing that can be done about Remploy now. It is no good looking back to the past. Those factories are gone. The workers unfortunately do not have a job, as in the case of Margaret, who my hon. Friend the Member for Wrexham spoke of. She has no future and is parked, like many of my constituents who worked in Remploy on employment and support allowance.

The worst thing is that, according to the solicitors firm Leigh Day, one in five people who have disabilities and find themselves in work still believe they are under pressure and under duress, and are fearful of announcing that they have some sort of disability. People who have short-term disabilities, such as those who have been diagnosed with Crohn's or colitis, find themselves in disabling situations where they cannot work and find it difficult to come back to work. They rely on understanding employers, but many of them do not have that. Many of them find themselves out of work because of that.

I always want to give the Minister some suggestions, as the hon. Member for Blackpool North and Cleveleys (Paul Maynard) did; he made a very good speech and

spoke from the heart, with great knowledge as a member of the Select Committee on Work and Pensions. I think the Minister knows what I am about to say, as I have said it to him on a number of occasions until I am blue in the face: the main tool for getting people back into work—Jobcentre Plus—is not fit for purpose. I am basing that not on anecdotal evidence but on the fact that 80% of people who gain a job through Jobcentre Plus are back out of work in six months. The fact is that statistical evidence shows that the most effective systems are not provided through Jobcentre Plus but based in the community. A job club or a training scheme based in a local library or supermarket is more effective.

Anybody who has ever had to walk into a jobcentre will know that it is akin to walking through Pentonville prison. There is a security guard on the doorstep. The seats are screwed into the floor. If someone is not there on time, the adviser will sanction them. They are not good places to look for jobs. What jobcentres are essentially doing when they sanction people is reaching at the most vulnerable. Those who are stuck in the system are being pushed further into it, and they are not being provided with the help and support they need. I have said over and over again that it does not matter how many schemes we have.

**Richard Graham:** Has the hon. Gentleman had the experience I have had of a really good Access to Work programme provider—in my case, Pluss, which has had considerable success in helping people with disabilities back into work? Does he agree that one thing we might do is put together some films of agencies and businesses that have had real success, so that we can show them in Parliament and spread the word about some of the great success stories, to encourage other employers to do more?

**Chris Evans:** I have come across Pluss. As the hon. Gentleman will know, I was once the unsuccessful candidate in the constituency of Cheltenham, right next door to his constituency. The work that Pluss does is absolutely fantastic, and I agree that we need to do more inside and outside Parliament to promote such training organisations.

The point I was coming to, which ties in well with the hon. Gentleman's intervention, is that since the 1970s we have had 43 schemes in this country, introduced by Governments of all colours, and all of them have failed. Long-term unemployment is still stubbornly high, particularly for young people and those with disabilities. We now have to think outside the box. We can rebrand all our schemes—whether it is the youth training scheme, employment training, the new deal or even the Work programme—but they are not getting the outcomes we want.

I expect the Minister to defend Jobcentre Plus, which is a Government scheme; that is his right, but I want him to give people some hope that we will start thinking outside the box more.

5.29 pm

**Jim Shannon** (Strangford) (DUP): Mr Chope, may I ask how much time is left, so that the hon. Member for Wythenshawe and Sale East (Mike Kane) and I can divide it between us?

**Mr Christopher Chope (in the Chair):** There should be ample time for you and the other hon. Gentleman who is seeking to catch my eye. The latest we can start the wind-ups is 5.47 pm, but we do not have to use all the time until then.

**Jim Shannon:** You have inspired me to speak longer, Mr Chope, but I will not; I will divide the time clearly between us. I thank the hon. Member for Wrexham (Ian C. Lucas) for bringing this debate to Westminster Hall. It is a really good subject matter and one on which we are all keen to participate. In my short speech, I will mention some good things that we do in Northern Ireland—I know this is a devolved matter, but it is good to exchange ideas about what we do in Northern Ireland and what is done here in the mainland.

Despite the great services that exist and the Access to Work scheme, the proportion of people with a learning disability in paid employment has remained stubbornly low—we cannot ignore that fact—and according to Mencap UK, which represents people with learning difficulties, that proportion appears immune to economic factors. There are clearly issues to be dealt with. I know the Minister is totally committed to that and that he has done great things. We respect him greatly, but I think we need to look at what we can do better.

The proportion of learning-disabled people known to social services in paid employment fell from 7% in 2012-13 to 6.8% in 2013-14. Some hon. Members have spoken about the good things that have happened in their areas, and when that is the case, that is good—let us recognise those. We need to exchange such ideas and make others aware of them. However, that fall in numbers happened despite the fact that the majority of people with a learning disability can and want to work. There is an eagerness and a keenness to work, and we should encourage it. The figures are stark if we compare them with a national employment rate of 76% and an overall disability employment rate of just below 50%. As hon. Members have said, the Government pledged to halve the disability employment gap. Indeed, that pledge was in Conservative party's manifesto, and we recognise and welcome it. It is good to see a commitment to it—well done.

Although welcome moves have been made to realise that commitment, the facts show that we need to do a bit more. I know the Minister will respond in a positive fashion, and I look forward to his comments. The Government need to monitor the disability employment gap, identify the factors that are still preventing it from closing and preventing disabled people from having access to work, and take action on those factors. There are things that the Government can do.

Department for Work and Pensions data show—I say this respectfully—that between 2011 and 2015, the number of jobcentres employing a full-time adviser to help disabled people fell by more than 60%, from 226 to 90, with reductions in every recorded year. We cannot ignore that issue. We all know that the Minister is a very pleasant person who is approachable and who does his job well, but that fact needs addressing. Perhaps he can tell us what steps the Government have taken to address the fall in the number of jobcentre advisers, and how we can best help people who are disabled when they come looking for assistance and help. That reduction surely contradicts the Government's commitment to reduce

the disability employment gap, and the effects of that cut in services need to be closely monitored to ensure that it is not having an adverse effect on the efforts to reduce disability unemployment.

I will give an example from Northern Ireland, because it is always good to put in the mix what we have done back home. We have an additional scheme to help reduce the disability employment gap. As well as the Access to Work scheme, there is Workable (NI), which is delivered by a range of providers contracted by the Department for Employment and Learning. Those organisations have extensive experience of meeting the vocational needs of people with disabilities, and using them is a great way of advancing social enterprise and supporting that sector.

Workable (NI) is a two-year programme that helps people out of economic gloom, gives them support and hope and prepares them for employment. It tailors support to individuals to meet their specific needs. The provision can include support such as a job coach to assist the disabled worker and their colleagues adapt to the needs of a particular job, developmental costs for the employer, and extra training, including disability awareness training. Those are all vital factors for any and all disabled people who want to work.

As I said, I am a great believer that this great country of the United Kingdom of Great Britain and Northern Ireland is better together. We know that, and many of us would subscribe to it. Let us exchange the good points and good practice that we have in every region of the United Kingdom. Lessons can clearly be learned from the approach in Northern Ireland, and we can develop additional strategies here in the mainland to help make good the Government's comment to halve the disability employment gap.

5.34 pm

**Mike Kane** (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing this important debate, and I pay tribute to him for the powerful personal testimony he gave about his constituent, who will feel very well represented tonight. I thank all Members who have contributed, including the hon. Member for Blackpool North and Cleveleys (Paul Maynard), who also gave powerful personal testimony—I would not want to pass by his contribution.

I grew up in a household in Wythenshawe where I saw a parent with progressive multiple sclerosis move from being in hard-working employment all her life to being on benefit. That was what really inspired me into public life. My recruiting sergeant was a certain Lord Alf Morris, who was my constituency Member of Parliament at the time. He introduced the absolutely groundbreaking Chronically Sick and Disabled Persons Act 1970, which revolutionised the way we looked at disabled people. It was about their rights, rather than what we gave them, and about how they could aspire to a better life. He also became the world's first Minister for the disabled. I still get calls to my office asking if Alf is the Minister for disabled people in the Government today. I follow in the footsteps of giants, but I am prepared to do my best.

I also want to mention my predecessor, Paul Goggins. I worked with him when I was a local councillor in 2007 and the first threat to the Rempoy factory in Wythenshawe

came up. We lobbied the then Member for Neath, who was the Secretary of State for Work and Pensions. Paul did amazing things. He got on board with JCB and with the Authentic Food Company in my constituency. We brought together a whole host of businesses. He really turned things around—it went from having a £200,000 turnover to having a £600,000 turnover. It did not help in the end, and unfortunately the factory was shut in 2012.

I do not want to make a particularly party political point, even though 20 people lost their jobs. The hardest thing for my predecessor and for me at the time was not just those people losing their jobs—following on from what my hon. Friend the Member for Wansbeck (Ian Lavery) said, a lot of them have not gone on to find new work—but the fact that during the time we ran the campaign, 500 people got into employment through the work that we did. It was a solid way for disabled people to build skills and confidence and get into the workplace. It was measurable, attainable, smart and specific. It was a really good campaign.

I want to press the Minister by comparing and contrasting what Remploy did with what the hon. Member for Blackpool North and Cleveleys said about Disability Confident. Because of my personal passion, I am a supporter of any scheme that helps disabled people get into employment. I was therefore pleased to be asked by the DWP to get involved with a Disability Confident event in south Manchester. I worked with my next-door neighbour, my hon. Friend the Member for Stretford and Urmston (Kate Green), who is just as passionate about the subject and who held the post of shadow Minister for disabled people in the last Parliament.

We attracted 80 employers to the event, representing nearly 100,000 people around south Manchester. It included Manchester airport, Wythenshawe hospital and British Gas, which is in my neighbour's constituency, and we had an extraordinarily good event. It was hosted by Vodafone—I asked it to host—which also sponsored the event, and I want to place on record my thanks to it for doing so. We had Cherylee Houston from “Coronation Street”—the disabled actress—who provided extraordinarily powerful testimony about her life and how she struggled to get into employment and into the acting industry. People from ITV talked about the company as an employer and about the changes and adaptations that it had made to make sure that she could play an important role in that TV series. I pay tribute to her and to ITV for providing role models of disabled people on our TV sets day in, day out.

I want to press the Minister on Disability Confident and how I think it should be improved. The event relied extraordinarily heavily on the contacts of the local MPs. That is an important point. Really it was the MPs, with their business contacts, who brought businesses to the event. That is a good thing, but the administration had to be done in the MPs' offices, along with all the other things. It placed an inordinate strain on my extraordinarily hard-working staff and those of my hon. Friend the Member for Stretford and Urmston, but we did it. The DWP lacked co-ordination and leadership. It wanted us to lead as MPs, but things were extraordinarily difficult on the ground. I do not want to criticise DWP officials—far from it. They were well intentioned and worked hard, but there was a lack of a

joined-up approach between various parts of the DWP and the agencies that it brought in to help. That needs to be looked at.

We know from our feedback surveys that the companies found the event extraordinarily informative. Many of them went away and implemented the good practices that we had showcased there. That involved companies, chief executive officers, human resources directors and the disabled people working in those companies—we had a number of disabled people there. However, as a politician and policy maker, I like to see numbers and outcomes. It was the lack of follow-up that was so difficult to understand—I am talking about getting all those companies in and understanding how they implemented the good practice. How many disabled people did we put in touch with them for pre-employment and employment opportunities? I just do not know those figures, and I find that quite frustrating as a Member of Parliament.

There is a strong narrative about getting disabled people into work, and we are trying to show leadership as local Members, but we need some resources from the DWP so that we can accurately measure the outcomes of such events—what we have achieved—and then plan further ahead by looking at the areas and expertise that we need to develop in order to go forward. I would like to run a similar event in the next year or two, but until I get substantive data about what we were able to achieve with the first events, that will be quite difficult.

5.42 pm

**Patricia Gibson** (North Ayrshire and Arran) (SNP): The reason I was so keen to speak in the debate is that 22% of my constituents in North Ayrshire and Arran aged 16 to 64 are recognised as disabled under the Equality Act 2010 or have work-limiting disabilities. It is therefore very important that I participate in the debate in order to represent my constituents.

We know that a compassionate and decent society dictates that halving the disability employment gap, which the Conservatives pledged to do and which is an extremely laudable aim, requires the correct amount of support to be provided, not the withdrawal of support, which is causing so much concern. The reduction of the ESA WRAG payment from April 2017 will force many sick and disabled people backwards and further away from getting the help that they need to get back to work or, indeed, to enter the workplace for the first time. That is despite the fact that the WRAG was created specifically to support the ill and disabled back into work, rather than simply placing them as jobseeker's allowance claimants. The Chancellor of the Exchequer himself acknowledged in his recent Budget statement that ESA WRAG payment recipients are usually—very often—actively seeking a sustainable place in the workforce, but there is a credible argument in the community and voluntary sector that instead of incentivising work, the Government are actually disincentivising it. Many hon. Members have touched on that today.

Many sick and disabled people find the prospect of the demands of the workplace increasingly challenging, especially in terms of how employers will react to them. According to the Disability Benefits Consortium, one third of disabled people live below the poverty line; I also mentioned that earlier. It is the case that 3.7 million people who are disabled are living in poverty, and that

[*Patricia Gibson*]

figure is increasing. We know that because the figure increased by 300,000 last year. What is needed to enable those living with a disability to enter the job market is to treat disabled benefit claimants with personalised and compassionate care, instead of implementing reforms that ignore the complexities and challenges of these people's lives. If we want to support disabled people into work, the benefits system designed to achieve that end must reflect that.

We have all heard in our constituencies anecdotal evidence of the shocking treatment of some claimants since the introduction of the work capability assessment, with "fit to work" decisions being made that seem to defy all logic and reason. Thankfully, many of those decisions have been overturned, but the stress and trauma that they cause the claimants in the first place is simply not acceptable. Far too many disabled people continue to face barriers that deny them the chance to find fulfilling work opportunities. What a tragedy that so many of those barriers have been erected and—looking into the future—appear to be continuing to be erected by the Government themselves, marginalising a group that is already excluded in so many ways. I urge the Minister to reflect on those concerns in his response.

5.46 pm

**Dr Eilidh Whiteford** (Banff and Buchan) (SNP): I pay tribute to the hon. Member for Wrexham (Ian C. Lucas) for securing the debate. He spoke powerfully about his constituent who has been personally affected by the decision taken in the last Parliament to close the Remploy factories. As many of us predicted at the time, that move has had a devastating impact on the lives of those directly involved, the vast majority of whom have been unable to move into alternative employment. That has been the case for Margaret and others we have heard about today.

Few would disagree with the aspiration of the Sayce review of supporting disabled people into mainstream employment, but that has proved much easier to hypothesise than actually to deliver. Too many disabled people who are seeking work find it difficult to enter the labour market or to access the kind of support that they need to help them to sustain employment.

Let us not forget, however, that about half of disabled people of working age are in work, most of them in mainstream jobs. Obviously, there are some disabled people whom we cannot expect to work, but there are also disabled people currently not in work who could, with the right support and workplace adjustments, overcome the disadvantages that they face in the labour market, and we have heard about many of them today.

We should also remember, though, that access to employment for disabled people takes place in a wider economic context. For instance, I do not think that the closures of the Remploy factories really took account of the economic situation at the time, or the local economies in those areas where the factories were based. In most cases, there have been scant opportunities for those people since the factories closed.

Disabled people are far more likely to be in work in times and places where jobs are plentiful. It is always easier to find a job in an area of low unemployment

than in an area where many people are chasing every vacancy. The barriers facing disabled people are sometimes related less to their disability than to prospective employers' preconceptions about what they can and cannot do. We therefore need to acknowledge that although disabled people have certain legal protections in work, getting a job in the first place is often much more difficult, especially for those who disclose invisible or fluctuating conditions, like those alluded to by the hon. Member for Strangford (Jim Shannon), or for those whose health conditions have left them with a patchy work history. We need to be honest with ourselves in this place about the extent of the disadvantage affecting disabled people in the labour market.

It is very difficult in a short debate such as this to do justice to such a broad topic, but as the hon. Member for Blackpool North and Cleveleys (Paul Maynard) reminded us, the Government had a manifesto commitment to halve the disability employment gap and now need to bring forward a credible strategy on how they intend to do so. At present, disabled people are disproportionately employed in the public and third sectors. Many are in organisations that have active equal opportunity policies in place and monitor the recruitment and retention of disabled staff. Unfortunately, parts of the private sector have not always kept pace with that, but one way for Government to make a difference, proposed by Disability Rights UK, is to ensure that businesses above a certain size monitor and publish data on the numbers of disabled people they employ. Many good employers do that already, but it would be a proportionate and effective way to improve access to work and would possibly help to tackle the direct and indirect discrimination that too many people who are disabled experience in the workplace.

The barriers to work for disabled people mean that the support that we offer through the social security system is all the more vital, but unfortunately the record of the last few years has been pretty abysmal in that regard, as we have heard, particularly in relation to the Work programme. As my hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson) pointed out, one third of disabled people in the UK live below the poverty line. That is about 3.7 million people. At a time of improvement in the labour market, the number of disabled people living in poverty actually increased last year. The shift from disability living allowance to personal independence payment has also meant that people with significant disabilities are losing eligibility for support. For many disabled people in low-paid jobs, such support enables them to stay in employment, so the clawback is counterproductive. Meanwhile, the Government's plan to cut £30 a week from the support given to people in the work-related activity group—people who are not currently fit for work—is just vindictive.

This has been a timely debate, with substantial contributions on both sides. The Government are not doing enough to support disabled people's access to employment, and I hope that Ministers will take on board the concerns raised today and bring forward the promised disability employment strategy as soon as possible.

I have a final request for the Minister. Will he reintroduce the "access to elected office" fund to enable more disabled people to enter political life? We have heard this afternoon that around one in five people in our society are disabled



according to the definition in the Equality Act 2010, and it would be better if this place reflected that fact more accurately.

5.50 pm

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Chope. Congratulations to my hon. Friend the Member for Wrexham (Ian C. Lucas) on raising such an important issue, and on representing his constituent Margaret Foster so ably. The situation he described is, unfortunately, happening to disabled people up and down the country.

Since 2010, 3.7 million disabled people have been affected by £23.8 billion of cuts as a result of, for example, the Welfare Reform Act 2012. It does not stop there. Under the Welfare Reform and Work Bill that is passing through the House at the moment, another 500,000 disabled people will be affected by changes to ESA WRAG support—another £640 million of cuts. That does not include the cut to the universal credit work allowance, or the £3.6 billion of cuts made to social care since 2010. The hon. Member for Banff and Buchan (Dr Whiteford) was absolutely right to mention that disabled people are twice as likely as non-disabled people to live in poverty. The figure increased by 2%, or 300,000 last year; those measures will definitely impact on disabled people living in poverty.

**Jessica Morden** (Newport East) (Lab): My hon. Friend mentioned the cut to the work allowance in universal credit. Has she seen the research by Liverpool Economics that shows that disabled people in work could lose up to £2,000 a year, making them one of the hardest-hit groups?

**Debbie Abrahams**: I have seen that analysis. My hon. Friend makes a vital point. I know that that area is not the Minister's responsibility, but we must try to get the Government to think again. That change will result in the same cuts as those that the Government reversed to tax credits; the process will just be slowed down slightly.

I want to get back to what happened with Remploy. The coalition Government closed 48 Remploy factories, and a total of 2,000 disabled people—including Margaret—were made redundant. Of those former workers, 691 were given the Government's work-related activity support, 830 received jobseeker's allowance, and we just do not know what happened to 470.

In addition to what has been said about Work Choice and the effectiveness of the Work programme, we must not forget Access to Work, which some people have mentioned. Of the 4 million disabled people in work, Access to Work is currently supporting only 36,800. If we are really serious about halving the disability employment gap, which is a noble target, that is totally inadequate. I know that the Government stated in the spending review that there will be a real-terms increase in spending on Access to Work, but what is the money? Nobody has said. Will it be a smaller chunk for more people? The Government need to be very clear on that.

The hon. Member for Strangford (Jim Shannon) has mentioned the specialist advice and support in Jobcentre Plus. There used to be only one adviser for 600 disabled people, but that has gone down further. I commend the Minister for what he is doing about the Disability

Confident scheme. He is doing his very best on that, but across the country there are only 79 active members—79 employers—33 of which are disabled charities. We will not meet the target of reducing the 30% disability gap—it is 34% in my constituency—with such low take-up. To echo the language that has been used, it is absolutely vindictive to take money from disabled people who do not have the opportunities, support or resources to enable them to take up a job. It is quite perverse.

I am coming to the end of my time, but I would like to know from the Minister what is planned for Access to Work. Will he also undertake to investigate the position of the people who were made redundant when Remploy closed? Clearly, the situation is not good enough. Will he also look at the perverse position that we are in now, where we are making cuts to support for disabled people before we have work for disabled people to get into and support for employers?

5.56 pm

**The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson)**: As your parliamentary neighbour, Mr Chope, it is a pleasure to serve under your chairmanship. I pay tribute to the hon. Member for Wrexham (Ian C. Lucas), who made a passionate speech on this incredibly important subject. I have already have some dealings with the hon. Gentleman in the course of his work on the all-party group on spinal cord injury. It was a real credit to him that he took time out of his busy schedule to come and engage on that.

I will cover the Remploy issue, and I would be happy to meet to discuss what more can be done in the specific case of Margaret and on the broader subject of disability employment. First, I want to answer some of the questions asked by various Members in what I thought was a constructive debate. As a Government, we are very much in listening mode. We are looking at ways in which we can make changes to improve the situation, and there are many ideas that we will look to take from today's debate.

I thank my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) for his kind words, and I would be happy to continue in this role. He demonstrated a huge knowledge of the proactive work that needs to be done. It has been a real pleasure to work with him on a number of different areas of my role, and he is a real credit to his constituency.

It was a pleasure to attend the all-party group on disability, which the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) chairs so ably. We crossed paths on several occasions that day, when we went to a number of different meetings. She mentioned the work of Changing Faces. I met that organisation, which is doing a huge amount in a very important area. I am a big supporter of its "What Success Looks Like" campaign, which is an important part of the wider work that we need to do.

I echo the comments on self-employment. I had my own business for 10 years, and the careers advice that I always give to sixth-formers was, "If you are good at what you do, do it yourself. If you are not very good at what you do, be paid to be not very good."

My hon. Friend the Member for Portsmouth South (Mrs Drummond) is doing a tremendous amount of work in her constituency. I was excited to hear about the

[Justin Tomlinson]

work of the Beneficial Foundation, and I would be interested to visit and see that at first hand. I think that there are some lessons that we can learn.

It is always a pleasure to listen to the hon. Member for Islwyn (Chris Evans), who is easily one of the best speakers in Parliament. His suggestions about Jobcentre Plus were constructive. We are bringing forward a White Paper, which gives us an opportunity to look at how we can improve the situation. What he said about thinking outside the box was crucial. Some brilliant ideas have been put forward, and I encourage him to be very proactive, because there are some lessons that we need to learn.

It is also always a pleasure to hear from the hon. Member for Strangford (Jim Shannon). I do not think that I have responded to a single debate to which he has not contributed, and I am glad that he has not had another meeting that has clashed. It is good to exchange ideas, because if there are areas of best practice anywhere, we need to look at them. As I have said, the White Paper gives us a huge opportunity to change the support we offer, and I will discuss that further.

The personal passion of the hon. Member for Wythenshawe and Sale East (Mike Kane) shone through. I am grateful for the huge amount of work that was done in the Disability Confident event. I was disappointed to hear some of the negatives but it is important to raise them. We have addressed some of them and I will talk about that a bit more later. I would appreciate an opportunity to discuss them further because it is an important part of the work we are doing.

**Mr Robin Walker** (Worcester) (Con): I apologise for missing some parts of the debate but I was listening closely to the feedback of the hon. Member for Wythenshawe and Sale East (Mike Kane) on his Disability Confident event as I want to ensure that we have a Disability Confident event in Worcester. I ask the Minister to engage with the issue of the follow-up to the events to ensure that we make the most of the opportunity they represent.

**Justin Tomlinson:** That is perfect timing because later in my speech I will highlight our drop-in event for parliamentarians. We are also producing a pack, which I will discuss later, and I would be delighted if my hon. Friend engaged with this because I know that he has done a huge amount of work engaging with employers, particularly with apprentices and at jobs fairs. We definitely need to recruit him to the campaign.

A comment was made about the role of the media and role models. I am doing a huge amount of work on that because it makes a big difference. The hon. Members for North Ayrshire and Arran (Patricia Gibson) and for Banff and Buchan (Dr Whiteford) covered relatively similar points regarding the ESA work-related activity group. Let us not forget that only 1% of people in the ESA work-related activity group were coming off that benefit each month. Rightly, it was highlighted that people want to get into work. Clearly that system was not doing that right. We can discuss in another debate how it will be done.

We will be spending an extra £60 million providing support this year, rising to £100 million by 2020. We should remember that no existing claimants will lose

out on the cash. The proportion of people in relative poverty who live in a family in which someone is disabled has fallen since 2010. Without opening up a debate on disability living allowance and the personal independence payment, let us not forget that under DLA, 16% of claimants were on the highest level of benefit whereas, under PIP, the figure is 22.5%.

I turn to the issue of Remploy before moving to the broader issues. In March 2012, the Government confirmed that it accepted the Sayce review's recommendations to focus support on individuals through services such as Access to Work, and away from specific workplaces or facilities such as Remploy in order to significantly increase the number of people who could be supported to access the labour market—it is that point about being in the mainstream. I understand that that is not what Margaret wishes to hear but I will come to more specific points.

The background to the case is that the 54 Remploy factories operated at a loss of £49.5 million, amounting to about £22,500 a year to support each disabled person working in a Remploy factory. That is in contrast to the average Access to Work award to support a disabled person in mainstream employment at £3,100. I understand that it is a lot more complicated than that. That debate took place in 2011 and 2012, and there was clearly a disagreement on what should happen. Following that, all disabled Remploy staff affected by the exit of Remploy factories had access to tailored support from an £8 million people help and support package for up to 18 months to help with the transition.

The final statistics of 21 August 2015 confirmed that just over 1,500 former disabled employees had received support through personal caseworkers, 867 were in work and a total of 1,182 jobs had been found. I accept that the point is what has happened since then. I do not know whether I can find that information but I will look into it.

In broader terms, ultimately we want as many people as possible to have the opportunity go into work. The Prime Minister personally committed the Government to halving the disability employment gap, and that was widely welcomed by all. In the past two years, there has been significant progress with 339,000 more people with disabilities going into work. A number of strands will help to make the aim a reality.

First, many Members have mentioned Access to Work. There is roughly a £100 million budget at the moment helping a near record 37,000 people. We have had four years of growth. Following the spending review, by the end of this Parliament we are looking to spend about £123 million and we would expect a further 25,000 people to be supported through that. We now have record numbers of people with learning disabilities, people with a mental health condition, and young people.

We have more specialist teams providing specific advice, including the visual impairments team, and other teams for hearing impairments, self-employment, large employers, and the hidden impairments specialists. Broader unique opportunities are also presented. We are looking at further ways to improve Access to Work, particularly raising awareness among small and medium-sized businesses, which would most benefit and could remove the most barriers. We are also looking into how we can simply provide more advice through that service. A number of speakers said that employers would be

worried about whether they had the skillset to support somebody with a disability. Access to Work could be an opportunity to provide that.

Today we had our first Disability Confident taskforce. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) has rightly asked what more we can do to push that. We had a number of the great and the good from a huge wealth of backgrounds including recruitment agencies and groups that support people with disabilities to get into work, including the Federation of Small Businesses, Clear Company, the Business Disability Forum, the Shaw Trust and a number of others. There was a collective brilliance around that table. I told them that I am very much in listening mode and I want them to challenge us and to identify ways in which we can take advantage of the Chancellor increasing the funding.

The whole point is to make more businesses aware of the huge wealth of talent out there. That is being underpinned through our Disability Confident campaign, which is there to share best practice, bust myths and signpost businesses and potential employees to the help and support that exists. Underlying all this is ensuring that people understand that it is a positive benefit. We are not asking businesses to do something that is not

right, but to take advantage, often through making small changes, having greater recognition or understanding that a huge network of support is available. We will push that, with a real emphasis on small and medium-sized businesses.

**Mike Kane:** The Minister is making a good case for Disability Confident. Does he agree that we need measurable outcomes for those events?

**Justin Tomlinson:** Absolutely. I am coming to that, and we will be having that further meeting.

More than 300 organisations are signed up but that is not enough, which is why we will be doing a lot more promotion this year. The digital sign is now up and we are keeping more records of that. We will go back and challenge, particularly those larger businesses, to find out what more they can do with their supply chains and what further questions can be asked. That point was raised as well.

6.7 pm

*Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).*



# Written Statements

Tuesday 12 January 2016

## BUSINESS, INNOVATION AND SKILLS

### Labour Market Enforcement

**The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid):**

My right hon. Friend the Secretary of State for the Home Department and I will today publish the Government's response to the consultation "Tackling Exploitation in the Labour Market". The consultation paper was published on 13 October 2015 and the consultation closed on 7 December 2015.

The consultation sought views on four proposals:

Creating the role of director of labour market enforcement to set the strategic priorities for labour market enforcement bodies (the Employment Agency's standards inspectorate, Her Majesty's Revenue and Customs' national minimum wage team and the Gangmasters Licensing Authority) in an annual labour market enforcement strategy;

Allowing data sharing between the director, the intelligence hub, labour market enforcement bodies and other bodies with intelligence that inform the preparation of the labour market enforcement strategy;

Creating a new labour market undertaking and enforcement order regime, backed up by a criminal offence and custodial sentence—to allow us to tackle repeat labour market offenders and rogue businesses; and

Reforming the Gangmasters Licensing Authority to become the gangmasters and labour abuse authority with stronger powers to tackle labour exploitation across the economy.

The consultation responses gave broad support for the Government's proposals. Therefore we will introduce these measures to tackle labour market exploitation, secure decent, lawful working conditions and make sure that people receive the rights and wages to which they are entitled. My hon. Friend the Home Office Lords Minister will today table amendments to the Immigration Bill to bring these measures in to law.

The Government response document, which sets out further detail, can be found on the gov.uk website.

[HCWS459]

## TREASURY

### Asian Infrastructure Investment Bank

**The Chief Secretary to the Treasury (Greg Hands):** The Treasury has agreed to be a founder contributor of the Asian Infrastructure Investment Bank (AIIB). As set out in the summer Budget 2015, HM Treasury will soon be making the initial instalment of US\$122,180,000 (approximately £80 million). Subsequent payments of the same amount will be made over the next four years. The UK's overall capital contribution will total approximately £2 billion (US\$3,054,700,000), with these five payments together making the 20% "paid-in" capital

contribution requiring a cash transfer. The other 80% is "callable capital"—the AIIB can call on it if needed. As the paid-in capital is an investment, in return for which we get an asset of a new bank, the Office for Budget Responsibility has forecast this payment as a financial transaction. Financial transactions do not add to public sector net borrowing.

As the cash for this payment will form part of HM Treasury's supplementary estimate 2015-16, which is expected to achieve Royal Assent in the associated Supply and Appropriation Bill in mid to late March, HM Treasury will use the Contingencies Fund to make the payment.

This payment is in line with the authority provided by this House under the Asian Infrastructure Investment Bank (Initial Capital Contribution) Order 2015. Parliamentary approval for additional capital of £83 million for this new expenditure will be sought in a supplementary estimate for HM Treasury. Pending that approval, urgent expenditure of £83 million—to allow for exchange rate movements—will be met by repayable cash advances from the Contingencies Fund.

Further, the payment of the first instalment of the capital contribution incurs with it a contingent liability. In line with the articles of agreement, the contingent liability rises in line with the amount of callable capital paid. As such, the UK will incur a proportionate contingent liability of US\$488,752,000. A departmental minute to this effect was laid before Parliament on 30 November 2015 to give at least 14 sitting days' notice of the intent to incur a contingent liability. The notice period was completed on 5 January 2016.

Although the AIIB has the right to call for payment of this callable capital if there is a crisis affecting the bank's assets or loans, no such instance has occurred in any major multilateral development bank (MDB) in the past. If the liability were to be called, provision for any payment would be sought through the normal supply procedure.

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

[HCWS461]

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Environment Council

**The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart):** I attended the EU Environment Council in Brussels on 16 December. I would like to update the House on the matters discussed.

*Draft Council Conclusions on the Mid-Term Review of the EU Biodiversity Strategy to 2020*

The conclusions were adopted, and were welcomed by Ministers and the Commission who also underlined that further work was still needed to meet the strategy's

objectives by 2020. Member states also noted the importance of the EU nature directives and the need to retain them in their current form to provide certainty and avoid any diminishing of standards. The UK raised concerns over the implementation of the nature directives. It concluded that the best way to address these would not be through reopening the directives themselves, but instead through looking at much better approaches to implementation.

#### *National Emission Ceilings Directive*

The Council adopted a general approach on the national emission ceilings directive. Following negotiations in the Council, the presidency secured a comfortable qualified majority for its compromise text. Denmark, Poland, and Austria voted against and Germany abstained. Although the Commission emphasised that it would prefer a higher level of ambition, it supported the presidency's push to move to the next stage of negotiations. Notwithstanding their national position, the Netherlands reassured member states that, as presidency, they would defend the position reached by the Council in forthcoming negotiations with the European Parliament. The UK welcomed the agreement while indicating the very limited room for manoeuvre during the future negotiations with the European Parliament.

#### *Any Other Business: Circular Economy*

Under any other business, the Council took note of information provided by the Commission on the recently published circular economy package. Member states welcomed the package, although a number of concerns were raised. The UK regretted that insufficient attention was shown to potential benefits the circular economy could bring on jobs and growth, and raised concerns about the target-based approach. Negotiations will begin in earnest in January 2016.

#### *Any Other Business: Paris Climate Change summit*

All Ministers signed a congratulatory letter to the French presidency of the Paris summit, and Ministers were thanked for their support and unity during the negotiations. The Commission described the outcome as a triumph for EU co-operation and for multilateralism more generally, while noting the EU's role in building the influential high ambition coalition. The Commission set out its next steps: to draft a Council decision for signing of the Paris agreement; progress the negotiations of revision of the EU emissions trading system (ETS); produce legislative proposals for "effort sharing" of reductions outside the EU ETS including land use considerations; and make proposals on the decarbonisation of transport.

#### *Any Other Business: Further Points*

Council noted information provided by the presidency, supported by seven member states, on the challenges and options for improving implementation of legislation on chemical products in scope of Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) legislation.

Council also noted information provided by Sweden on sustainable methods of producing and consuming medicines and managing the resulting waste. The Commission was about to launch a study on the environmental impacts of such substances.

Council further noted information provided by Greece on the forthcoming meeting of the contracting parties (COP10) to the Barcelona convention.

Council noted information provided by Belgium on reducing pollution caused by consumption on the move, a so-called European deposit scheme. The Commission did not intend to introduce such a scheme, after a feasibility study had suggested there would be disproportionate costs, but noted that member states were free to set up their own schemes.

The Commission briefly presented the state of the energy union report, as had been done in other Council formations. Four political messages were emphasised: first, that energy union was closely aligned with the UN climate process, and that the EU must remain a global leader on implementing low carbon transition; secondly that energy union was something the Commission needed to lead, but that this needed action and engagement from all member states; thirdly, that the geopolitical challenges on this issue are unlikely to reduce; and finally, that governance was a key issue.

The Netherlands presented information on the work programme for their presidency.

#### *Lunchtime Discussion*

Over lunch, Ministers exchanged views on the latest developments concerning the automobile sector and emissions testing.

[HCWS462]

## FOREIGN AND COMMONWEALTH OFFICE

### **Gifting of equipment: Lebanese Armed Forces**

**The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond):** It is the normal practice when a Government Department proposes to make a gift of a value exceeding £300,000 for the Department concerned to present to the House of Commons a minute giving particulars of the gift and explaining the circumstances; and to refrain from making the gift until 14 parliamentary sitting days after the issue of the minute, except in cases of special urgency.

The crisis in Syria is having a direct effect on its neighbours, particularly in areas adjacent to Lebanon's eastern border. The UK remains firmly committed to Lebanon's stability, and in supporting the Lebanese armed forces (LAF) to minimise contagion from the Syrian conflict, and to combat the spread of Daesh. As part of this commitment, since 2012, the UK has been assisting the LAF, through the rapid land border security assistance project, to establish and mentor the LAF land border regiments (LBRs). The mission of the LBRs is to observe, identify, deter and deny activities by illegal armed actors in the near border areas, in line with agreed international human rights standards. Between 2012 and 2015 around £26 million of conflict pool and conflict security stability funds were allocated to provide observation, protection, mobility and communications equipment to 1, 2, and 3 LBRs, and to establish the lead elements of a 4th LBR, as well as a programme of training and mentoring.

The command element of 4LBR has been established, and 4LBR is preparing its deployment plan to cover the remaining 25% of the borders with Syria from Aarsal to Masnaa. Recent actions in the Aarsal area, and the

threat that Daesh poses to UK interests, make it imperative that the LAF completes the expansion of the LBRs southwards, as part of an overall strategy to bring the entire eastern border with Syria back under the authority of the state.

Subject to assessment under the consolidated EU and national arms export licensing criteria, we intend to gift a package of £967,450.00 of personal protection equipment to start the establishment of the 4th Land Border Regiment of the Lebanese armed forces. The proposed gift will be funded by the Government's conflict, security and stability fund and will consist of the following UK sourced equipment:

Personal Protective Equipment—£967,450.00.

The proposed gift is being scrutinised to ensure that it is consistent with export controls and complies with our international obligations. The proposed gift has been scrutinised and approved by a senior, cross-Whitehall Conflict, Stability and Security Fund (CSSF) Approval Board, which has confirmed that it fits with the Government's strategic and delivery objectives. Foreign and Commonwealth Office officials also assessed the project for human rights risks, using the overseas security and justice assistance guidelines established by the Foreign Secretary in 2011.

The Treasury has approved the proposal in principle. If, during the period of 14 parliamentary sitting days beginning on the date on which this minute was laid before the House of Commons, a Member signifies an objection by giving notice of a parliamentary question or a motion relating to the minute, or by otherwise raising the matter in the House, final approval of the gift will be withheld pending an examination of the objection.

[HCWS463]

## WORK AND PENSIONS

### Diffuse Mesothelioma Payment Scheme

**The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson):** The Diffuse Mesothelioma Payment Scheme (Levy) Regulations 2014 require active insurers to pay an annual levy based on their relative market share for the purpose of meeting the costs of the diffuse mesothelioma payment scheme (DMPS). This is in line with the commitment by the insurance industry to fund a scheme of last resort for sufferers of diffuse mesothelioma who have been unable to trace their employer or their employer's insurer.

I can announce today that the total amount of the levy to be charged for 2015-16, the second year of the DMPS, is £23.2 million. It is estimated that the full cost of the scheme in 2015-16 will be £31 million, but, as the amount levied in 2014-15 was greater than the final cost of the scheme for that year, £7.8 million has been carried forward into 2015-16. The £23.2 million will be payable by active insurers by the end of March 2016.

Individual active insurers will be notified in writing of their payment amount—i.e. their share of the levy—together with how the amount was calculated and payment arrangements. Insurers should be aware that it is a legal requirement to pay the levy within the set timescales.

I am pleased that the DMPS has seen a successful first year of operation. The first annual report for the scheme was published in November 2015 and is available on the gov.uk website. I hope that Members of both Houses will welcome this announcement and give the DMPS their continued support.

[HCWS460]





# Petition

*Tuesday 12 January 2016*

## OBSERVATIONS

### JUSTICE

#### **Torquay Magistrates' Court**

*The petition of the residents of Torbay,*

Declares that the closure of Torquay Magistrates' Court will have a detrimental impact on court users and a wider implication that justice is no longer to be decided at a local level by local people. The closure will mean that victims, witnesses and those accused will have to travel much further to achieve justice.

The petitioners therefore request that the House of Commons urges the Government to reconsider the proposed closure of services in Torquay and commit to keeping justice local in the Bay.

And the petitioners remain, etc.—[Presented by Kevin Foster, *Official Report*, 25 November 2015; Vol. 602, c. 1456.]

[P001555]

*Observations from the Parliamentary Under-Secretary of State for Justice (Shailesh Vara):*

The consultation on the provision of court and tribunals services in England and Wales ran from 16 July to 8 October 2015. HM Courts & Tribunals Service is currently in the process of assessing all responses to the consultation and I expect to announce the outcome in due course. I have asked HM Courts & Tribunals Service officials to record the points and suggestions made in the petition so that they can be fully considered as part of the consultation process.

The HM Courts & Tribunals Service Reform Programme is a once in a generation opportunity to create a modern, user focused and efficient courts and tribunals service. As part of this programme, on 16 July 2015 I announced proposals for the reform of the court and tribunal estate.

Whilst HM Courts & Tribunals Service acknowledge and accept that some people will need to travel further to reach their nearest court and for some the journey, if made by public transport, may be over an hour, for the majority of people the closure will have little impact. We are mindful of the infrequency with which people need to attend court and the small proportion of people who would use public transport to reach court.

Access to justice is not just about proximity to a court. We are committed to providing alternatives to travel, for example through making better use of technology, including video conferencing, and exploring whether we can appropriately make use of civic buildings for certain types of hearing.



# ORAL ANSWERS

Tuesday 12 January 2016

	<i>Col. No.</i>		<i>Col. No.</i>
<b>FOREIGN AND COMMONWEALTH OFFICE</b> ....	681	<b>FOREIGN AND COMMONWEALTH OFFICE—</b>	
China: Diplomatic and Economic Relations .....	692	<i>continued</i>	
European Union .....	681	Terror Financing .....	689
Kamal Foroughi.....	685	The Commonwealth: Trade and Diplomatic	
Occupied Palestinian Territories .....	695	Connections .....	690
St Helena .....	694	Topical Questions .....	696
Syria.....	685	Ukraine.....	687

# WRITTEN STATEMENTS

Tuesday 12 January 2016

	<i>Col. No.</i>		<i>Col. No.</i>
<b>BUSINESS, INNOVATION AND SKILLS</b> .....	15WS	<b>FOREIGN AND COMMONWEALTH OFFICE</b> .....	18WS
Labour Market Enforcement .....	15WS	Gifting of equipment: Lebanese Armed Forces.....	18WS
<b>ENVIRONMENT, FOOD AND RURAL</b>		<b>TREASURY</b> .....	15WS
<b>AFFAIRS</b> .....	16WS	Asian Infrastructure Investment Bank .....	15WS
Environment Council.....	16WS	<b>WORK AND PENSIONS</b> .....	20WS
		Diffuse Mesothelioma Payment Scheme .....	20WS

# PETITION

Tuesday 12 January 2016

	<i>Col. No.</i>
<b>JUSTICE</b> .....	9P
Torquay Magistrates' Court.....	9P

No proofs of the Daily Reports can be supplied. Corrections which Members suggest for the Bound Volume should be clearly marked in the Daily Report, but not telephoned, and *the copy containing the Corrections must be received at the Editor's Room, House of Commons,*

**not later than  
Tuesday 19 January 2016**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE  
PROMPT PUBLICATION OF THE VOLUMES

Members may obtain excerpts of their Speeches from the Official Report (within one month from the date of publication), on application to the Stationery Office, c/o the Editor of the Official Report, House of Commons, from whom the terms and conditions of reprinting may be ascertained. Application forms are available at the Vote Office.

#### PRICES AND SUBSCRIPTION RATES

##### DAILY PARTS

*Single copies:*

Commons, £5; Lords, £4.

*Annual subscriptions:*

Commons, £865; Lords, £600.

LORDS VOLUME INDEX obtainable on standing order only. Details available on request.

BOUND VOLUMES OF DEBATES are issued periodically during the session.

*Single copies:*

Commons, £65 (£105 for a two-volume edition); Lords, £60 (£100 for a two-volume edition).

Standing orders will be accepted.

THE INDEX to each Bound Volume of House of Commons Debates is published separately at £9.00 and can be supplied to standing order.

*All prices are inclusive of postage*

---

CONTENTS

Tuesday 12 January 2016

**Oral Answers to Questions [Col. 681] [see index inside back page]**

*Secretary of State for Foreign and Commonwealth Office*

**Criminal Driving (Justice for Victims) [Col. 703]**

*Motion for leave to bring in Bill—(Greg Mulholland)—agreed to  
Bill presented, and read the First time*

**Housing and Planning Bill [Col. 706]**

*As amended, further considered*

*Legislative Grand Committee (England and Wales) motion—(Brandon Lewis)—agreed to*

*Legislative Grand Committee (England) motion—(Brandon Lewis)—agreed to*

*Read the Third time and passed*

**Connaught Income Fund [Col. 829]**

*Debate on motion for Adjournment*

**Westminster Hall**

**Global Fund to Fight AIDS, TB and Malaria [Col. 247WH]**

**Redhill and Reigate Rail Users [Col. 270WH]**

**Airport Expansion: East Anglia [Col. 278WH]**

**Swine Flu Vaccination: Compensation [Col. 300WH]**

**Access to Jobs: Disabled People [Col. 307WH]**

*General Debates*

**Written Statements [Col. 15WS]**

**Petition [Col. 9P]**

*Observations*

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

---