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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Thursday 10 March 2016**



# House of Commons

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

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### TRANSPORT

*The Secretary of State was asked—*

#### Road Investment Strategy

1. **Suella Fernandes** (Fareham) (Con): What steps his Department is taking to implement its road investment strategy. [904015]

**The Secretary of State for Transport (Mr Patrick McLoughlin)**: Highways England's delivery plan sets out how it will deliver the Government's £15 billion road investment strategy. Work on site is already under way on 19 major schemes, seven of which have started this financial year, as planned.

**Suella Fernandes**: Chronic congestion causes delays to thousands of commuters on the M27 at junctions 9 and 10. With Fareham set to see 6,000 new homes at Welborne and thousands more at North Whiteley, what steps is my right hon. Friend taking to ensure that vital upgrades to that piece of infrastructure are carried out as a matter of priority?

**Mr McLoughlin**: I know that particular scheme is of great interest to my hon. Friend. The Department is working together with Highways England and Hampshire County Council on a way forward for improvements to junction 9 of the M27. I will ensure that my hon. Friend is kept fully informed of progress. A separate scheme to improve junction 10 of the M27 is being funded by a private developer and the local enterprise partnership. It is for them to progress it with the local authority, but I am more than happy to continue to update her on the matter.

**Justin Madders** (Ellesmere Port and Neston) (Lab): As the Secretary of State will know, junctions 12 to 14 of the M56 have seen a significant increase in accidents in recent years, and there is an urgent need for some form of managed motorway there. Does he share my disappointment that the northern transport strategy published this week by his Department makes no mention of that at all? When will his Department take action?

**Mr McLoughlin**: I will certainly look at the specific point that the hon. Gentleman has raised, but the fact is that we have a road investment strategy far superior to anything that existed before 2010. I would have thought that he would have welcomed that.

**Sir Simon Burns** (Chelmsford) (Con): Will my right hon. Friend accept that my constituents warmly welcome the investment that is being made in upgrading the A12 to three lanes? Is he in a position to advise me on when he expects phase 1, from the M25 to Margaretton on the southern border of Chelmsford, to commence and progress?

**Mr McLoughlin**: I am grateful to my right hon. Friend for making that point. In December 2014, the Government announced a scheme to widen the A12 from junction 28 of the M25 to the Chelmsford bypass. The scheme will be developed in the first roads period from April 2015 to March 2020, to be ready for construction in the next roads period. We expect the next roads period to run from April 2020 to March 2025.

**Graham Jones** (Hyndburn) (Lab): What assessment has the Department made of the M66 and the M60 to the south of it? I believe TomTom said that it was one of the busiest, or the busiest road in the UK. It is jam-packed from about 6.15 to about 10 am—every morning, it is gridlocked and cars cannot move. What is being done to resolve that situation?

**Mr McLoughlin**: As I pointed out to the hon. Member for Ellesmere Port and Neston (Justin Madders), investment is on a far greater scale than ever imagined by the Labour party that the hon. Gentleman supported in government. It is a simple fact that we are talking about £15 billion for the road investment strategy, which is a greater investment than we have seen in our roads network for a number of years.

**Kit Malthouse** (North West Hampshire) (Con): One critical part of the road investment strategy is to improve safety. On that note, may I ask my right hon. Friend to look at safety, particularly over the last few months, at the junction of the A303 and the A34, where a number of accidents have happened recently? In my view, safety could be improved there.

**Mr McLoughlin**: I am more than happy to ask officials to look at that and to report back to me. I will write to my hon. Friend.

**Daniel Zeichner** (Cambridge) (Lab): The road investment strategy is really important, but we know that every journey begins on a local road and that the vast majority of journeys are made on local roads. Some of them are in quite a state. Last November, to great fanfare, the permanent pothole fund was announced—we hope that means permanent action on potholes, not permanent potholes. How much has been drawn down by councils from that pothole fund, and how many potholes have been filled in so far?

**Mr McLoughlin**: The hon. Gentleman wants devolution, but he also wants the Government to tell local authorities exactly what to do in every set of circumstances. The simple fact is that, for the period 2015 and 2020, £6 billion has been allocated to local authorities for road maintenance. Between 2010 and 2015, the figure was £4 billion. Between 2005 and 2010, the amount allocated to local authorities was £3 billion. That shows the significant increase in the amount that this Government are giving for local road maintenance, and I would have thought that he would welcome that.

**Sir Alan Haselhurst** (Saffron Walden) (Con): Will my right hon. Friend acknowledge the urgent need for clarity about the capacity of junction 8 of the M11 motorway and the possibility of there being a junction 7A, as these matters have a bearing on decisions having to be made against a deadline by local authorities on their local plans?

**Mr McLoughlin:** I am grateful to my right hon. Friend for raising that particular case with me. I will certainly write to him to tell him what progress is being made in that exact location.

### Local Transport Projects (Funding)

2. **Mr Stewart Jackson** (Peterborough) (Con): What steps he is taking to provide funding for large local transport projects. [904016]

**The Minister of State, Department for Transport (Mr Robert Goodwill):** The Department is providing over £7 billion for the devolved local growth fund, which will fund more than 500 local transport projects by the end of this Parliament. It now includes £475 million for transformational local transport schemes that are too large for the devolved allocations. We will be providing further details very soon.

**Mr Jackson:** May I make a plea to the Minister? Will he tell me when some of the £75 million funding from the roads investment strategy will be used to reduce the noise pollution that has already been identified by Highways England on the A47 Soke Parkway through Peterborough, adjacent to Apsley Way and Bradwell Road?

**Mr Goodwill:** The A47 is part of the strategic road network and is therefore not covered by the money that I have just announced. However, in November 2014, the Chancellor announced £300 million for the A47, including the Wansford to Sutton section between the A1 and Peterborough. On the question of noise pollution, the Government have challenged Highways England to mitigate noise at more than 1,000 locations. Measures that could be used include noise reduction surfacing, tree planting and barriers.

**Mrs Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): Transport for the North published a report this week that looks into local and regional links as well as access to the national network. It puts forward ambitious schemes for improvements in rail transport between Liverpool, Manchester and Leeds and for better access to the High Speed 2 network. What kind of co-ordination will there be to ensure that this happens?

**Mr Goodwill:** It is particularly important that we co-ordinate rail and road systems, particularly in regard to freight, and HS2 will open up a large number of additional freight paths that will take pressure off the roads. Co-ordination will be absolutely vital and we are working with Transport for the North and the leaders of the great cities of the north, including Liverpool, to make sure that that happens. Indeed, I shall be in Liverpool later today.

18. [904034] **Rebecca Harris** (Castle Point) (Con): My hon. Friend will be aware of the absurd situation on Canvey where, although residents can virtually kick a football at the new DP World container port, it is easier to access the tens of thousands of jobs there by travelling from the east end of London. What support can he give my residents on Canvey Island who have been campaigning for a third road for many decades?

**Mr Goodwill:** I very much agree that new road infrastructure can transform local economies and boost access to jobs, which is why we have given significant funding and freedoms to local areas to take forward schemes such as this. We will be announcing further funding opportunities very soon. I hope that my hon. Friend will continue to make the case for that project with Essex County Council and the South East local enterprise partnership. The port facilities in her constituency are absolutely superb, and it is important that we give them the infrastructure that they need to back them up.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): Large local infrastructure projects have been the hallmark of the Scottish Government since they came to power in 2007. There have been too many to list here, but they include the Borders rail link, the Tarbert to Campbelltown trunk link road and, in my own constituency, the dualling of the A9 between Perth and Inverness. According to independent analysis, Scotland is investing twice as much per person in transport as England. That includes active travel projects such as cycling, on which we are already way ahead of the UK. Last year, this Government announced a new £680 million access fund up to 2021. Can they clear up the confusion about when that fund is going to go ahead?

**Mr Goodwill:** It is interesting that the hon. Gentleman did not mention the high-speed rail line between Edinburgh and Glasgow, which has been conveniently shelved. He may be aware that SNP-controlled Perth and Kinross Council has decided that potholes now have to be at least 60 mm deep—that is nearly 2 and a half inches—before it will consider filling them in. That indicates what its priorities might be in some cases.

**Drew Hendry:** The Minister and I may disagree on many things, but one thing that we do agree on is the benefits of cycling. The cycle-to-work scheme has been a popular and progressive policy, and credit is due to the Government for continuing with it. However, in the summer Budget, the Treasury said that it was actively monitoring salary sacrifice arrangements because they were becoming increasingly popular. In Scotland, progressive policies that work and are popular are something that the Government there support. Will he confirm that he is working to ensure that the Chancellor will protect cycle-to-work schemes in the forthcoming Budget?

**Mr Goodwill:** The hon. Gentleman may have to be patient and wait for the Budget, but certainly schemes such as the cycle-to-work scheme are very good. Large numbers of people who have bicycles are using them to get to work and it is a great way of getting people fit and active, as well as reducing congestion on our roads.

### Public Transport: Fares

3. **Imran Hussain** (Bradford East) (Lab): What recent assessment he has made of trends in the level of the cost of public transport to passengers. [904018]

**The Parliamentary Under-Secretary of State for Transport (Andrew Jones):** The Government understand the importance of affordable transport and we have capped regulated rail fares at the level of RPI for two years running, and will do so for the life of this Parliament. The bus market outside London is deregulated and decisions regarding setting the level of fares is therefore primarily a decision for commercial bus operators. Almost £1 billion is provided each year to fund concessionary travel, ensuring free bus travel for the elderly and disabled.

**Imran Hussain:** More than 2,500 people commute into Bradford, and more than 7,000 commute out of Bradford by rail, so fast, cheap and efficient connections with the rest of the region are vital for jobs and our local economy. What is the Minister doing to ensure fast, cheap and efficient connections in the region, considering that rail fares across the country have gone up by 25% and punctuality has deteriorated?

**Andrew Jones:** I know the city of Bradford very well, having gone to school there and lived just outside it for many years. I would have expected the hon. Gentleman to welcome the investment that we are seeing in rail. Appley Bridge railway station has only just opened in his constituency, and he has had investment in Frizinghall as well. We are seeing investment across the north, including in West Yorkshire, and there is the ability to keep fares down in the Metro region. I repeat my point about how we have capped regulated rail fares and removed the fare “flex”.

**Mr Philip Hollobone** (Kettering) (Con): One of the problems for local bus passengers is congestion and delays. People in Kettering always say that, when the traffic lights stop working, the traffic flows much better. Given that the Minister is responsible for local roads, will he consider undertaking a pilot whereby we can switch traffic lights off and get traffic and buses flowing more freely?

**Andrew Jones:** My hon. Friend makes an ingenious link to the cost of public transport. I am aware, because I hear it quite regularly in my own area as well, that traffic is said to flow more freely when traffic lights do not work. I have major reservations about that argument. At the same time, initiatives are being put in place to keep traffic flowing. I will have a look at what my hon. Friend says, but we should be very cautious about removing traffic lights, as they are a key ingredient in road safety.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): No one in Yorkshire would mind paying the fares on a good trans-Pennine link. Indeed, Ministers have already said that they will be using that sort of transport tomorrow—I hope that they will stop off in Huddersfield to celebrate the centennial of Harold Wilson’s birth, which is tomorrow. We would not mind paying the fares if the delivery of the service were fast, efficient and comfortable.

**Andrew Jones:** The hon. Gentleman has forgotten the investment that is being made, the improvements that are coming through the franchise for the east coast main line and for the trans-Pennine line, and the significant enhancements for Huddersfield, including the London connections.

**Andrew Stephenson** (Pendle) (Con): Will the Minister join me in welcoming the fact that, thanks to the Government’s action to cap rail fare increases, wages are now rising faster than fares for the first time since 2003?

**Andrew Jones:** My hon. Friend makes as wise a point as ever. We are trying to ensure that regulated rail fares are affordable. What we are seeing is a wide range of tickets on offer, including some very low-priced fares, which can be bought in advance. That allows more people to travel by rail. We only have to look at the growth in passenger numbers to see how that is working.

**Jim Shannon** (Strangford) (DUP): The number of bus and rail passengers in Northern Ireland has fallen. I know that London is the exception, but outside London, numbers have fallen as well. Fifty-seven per cent. of commuters travel by car. What steps can the Minister take to encourage more people to cycle or walk to work, where possible, promoting healthier lifestyles and reducing the carbon footprint?

**Andrew Jones:** An element of the road investment strategy is to promote cycling and we also have the cycling and walking investment strategy, which has already been mentioned.

**Mr Speaker:** I call Bob Blackman. Not here. Where is the chappie?

### Train Frequency: Birmingham-Telford

5. **Lucy Allan** (Telford) (Con): What steps his Department is taking to increase the frequency of trains between Birmingham and Telford. [904020]

**The Secretary of State for Transport (Mr Patrick McLoughlin):** Telford serves more than 1 million passengers each year, and I was pleased to negotiate services with Virgin Trains in 2014 from Shrewsbury to London via Telford and Birmingham.

We are currently running a public consultation to help to specify the next west midlands franchise and will launch a public consultation on the new west coast franchise in June. I encourage my hon. Friend and her constituents to make their views known through that process.

**Lucy Allan:** I thank the Secretary of State for his reply, for which my constituents will be grateful. Telford is a rapidly growing new town that is 26 miles from Birmingham, yet it takes 51 minutes to get there. Will he continue to work with me to ensure that we have a 21st century rail system for Telford?

**Mr McLoughlin:** I most certainly will. I recognise the growing importance of connectivity between cities. My hon. Friend’s point about Telford and its relationship with Birmingham is important.

**Rob Marris** (Wolverhampton South West) (Lab): The Secretary of State knows Wolverhampton well because of his youth and his fighting a parliamentary seat there, so he will know that trains from Telford to Wolverhampton to Birmingham to London are far slower than trains from Stafford to London because of the bottleneck in the urban west midlands. When will the Government get around to quad-tracking the Coventry to Stafford corridor?

**Mr McLoughlin:** The hon. Gentleman is right that I know the area incredibly well, but we have seen major investment in the west midlands, including the re-establishment of the service from Shrewsbury via Telford, to which I referred in answer to my hon. Friend the Member for Telford (Lucy Allan), which has been welcomed. He is right that there is always demand for extra investment, but that must be measured against the record investment that we are putting into our railways.

**Amanda Milling** (Cannock Chase) (Con): Cannock Chase, like Telford, is connected to Birmingham via a local line. It is a service that my right hon. Friend knows incredibly well. Unfortunately, users of the Chase line report multiple issues, such as late, overcrowded and cancelled trains. Will he confirm that the electrification project, which will mean that users will have a much better and frequent service, is on track for completion by the end of 2017?

**Mr McLoughlin:** I am grateful to my hon. Friend for her question. I was in her constituency just a few weeks ago and noticed that electrification work had already started on the line that runs through Hednesford to Cannock, not least at Stafford Lane and down by Brindley Heath where new bridges have been put up. I happen to know the area very well; it is where I grew up.

### UK Spaceport

6. **Brendan O'Hara** (Argyll and Bute) (SNP): When the Government plan to make a decision on the location of a UK spaceport. [904021]

**The Minister of State, Department for Transport (Mr Robert Goodwill):** The Government's ambition is for the UK to have the facilities and regulatory environment in place for commercial spaceflight during this Parliament. My Department is currently working closely with the Department for Business, Innovation and Skills to assess and understand the technical requirements, with the aim of announcing the process for spaceport selection later this year.

**Brendan O'Hara:** As the Member for Argyll and Bute, I have championed and will continue to champion the Machrihanish bid to become the UK's spaceport. The community-owned facility has considerable advantages, including a 3 km runway and the overwhelming backing of the community. When will the next stage criteria be announced by the Department for Transport? Can the Minister assure all those who are working hard to bring the project to Machrihanish that the Government are still 100% committed to the creation of a UK spaceport?

**Mr Goodwill:** I can certainly confirm that. In fact, the Department for Transport has provided £5 million to fund initial phases of work. It is also important that we

work with potential operators to check out the facilities that they might want to ensure that they can be provided. It is a great opportunity. With companies such as Inmarsat, Clyde Space north of the border, and Surrey Satellite Technology, we are already world leaders in space technology, so this will be a further step towards pushing against the barriers to British involvement in the space race.

**Steve Double** (St Austell and Newquay) (Con): I thank the Minister for his recent visit to Cornwall Newquay airport where he saw the excellent facilities we have there to host the spaceport. Will he confirm that he went away with the very clear message that Cornwall not only can accommodate but is ambitious to be the English bid for the spaceport?

**Mr Goodwill:** I certainly did get a very clear message and was taken up by the enthusiasm of the people in Newquay. I was recently at Prestwick, as well, so I know that other airports are interested. I did notice when I was at Prestwick that there was no shortage of slots to use; it seemed quite quiet when I was there.

### Bus Services (Rural Communities)

7. **Craig Tracey** (North Warwickshire) (Con): What steps he plans to take to ensure that rural communities have access to regular bus services. [904022]

**The Parliamentary Under-Secretary of State for Transport (Andrew Jones):** We are very aware of the importance of bus services to rural communities and, in recognition of that, we were able to protect the bus service operators grant funding as part of the spending review last year. The Government paid out some £250 million last year to support bus services in England through BSOG, of which around £40 million is paid directly to local authorities.

**Craig Tracey:** Will the Minister agree to look into the provision of buses in the rural part of my constituency for local students travelling to school compared with national averages, and advise on how we can improve that?

**Andrew Jones:** All children aged between five and 16 qualify for free school transport if they attend their nearest school and it is sufficiently far from their home. The decision to provide additional services will be a matter for the local authority and some do, such as the Staffordshire scheme for those aged between 11 and 19. There is obviously an issue that concerns my hon. Friend and I will be happy to meet him to explore the issue further and to try to help.

**Derek Twigg** (Halton) (Lab): One section of our population that is particularly disadvantaged by poor bus services, both rural and urban, is young people, who are also hit by the cost of travelling. What are the Government doing to help young people access transport and to help them with the cost?

**Andrew Jones:** There is a mixture of support through national and local government. Individual local authorities decide their funding priorities, but local authorities in England have spent an average of £330 million a year

over the past three years supporting bus services, and 42% of bus income comes from public funds. I have already talked about BSOG support nationally.

**Antoinette Sandbach** (Eddisbury) (Con): Will the Minister consider rural bus service provision in Eddisbury, where cuts to bus services have meant that apprentices cannot access apprenticeships and college students cannot get to the local college without having to take two buses? May I invite the Minister to meet me to discuss that?

**Andrew Jones:** I will be happy to meet my hon. Friend. Access to bus services is very important, and that is especially true when it facilitates people's access to work.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Government tax makes up 70% of the cost of fuel. Does the Minister agree with the Scottish National party that there should be a continued freeze on fuel duty and that that will help to control the cost of bus services in rural areas?

**Andrew Jones:** Fuel duty might well be something for the Chancellor to consider rather than me, but I can highlight the bus service operators grant, which used to be called the fuel duty rebate and provides a 34.57p subsidy per litre of fuel used. We are supporting bus companies and local authorities through that mechanism.

**Lilian Greenwood** (Nottingham South) (Lab): Subsidy for all 118 supported bus routes in Oxfordshire is being withdrawn and, earlier this week, I travelled on the popular 215 service along with the excellent Labour and Co-operative councillors for Witney and Chipping Norton, who are campaigning to protect their local bus networks. Will the Minister join me in welcoming the fact that some additional funding has now been secured for local transport on a cross-party basis and does he agree that when the buses Bill is published, it must address the severe challenges facing rural bus services, including in the Prime Minister's constituency?

**Andrew Jones:** I remind the hon. Lady that she was busy saying that we were going to completely cut and lose BSOG, but it has been protected. I am always pleased to hear that local authorities are supporting their bus services, because I value the role that buses play in local communities. We should be supporting local authorities in deciding their funding priorities.

### Railway Station Refurbishment

8. **Mr Jim Cunningham** (Coventry South) (Lab): What funding his Department is providing to help refurbish railway stations. [904023]

**The Parliamentary Under-Secretary of State for Transport** (**Claire Perry**): I am proud that under Conservative-led Governments since 2010, my Department has made almost £400 million pounds available for station improvements through programmes such as the national stations improvement programme, the station commercial project facility, the new stations fund and the Access for All scheme. In addition, we have many improvements delivered by operators through franchise commitments or through substantial local growth funding.

**Mr Cunningham:** What effort is the Minister making to ensure that the rail franchise holders pay their fair share to maintain the railway structure? Will she look at how the Nuckle project in Coventry is working out, in relation to the frequency of train stops at the Ricoh Arena? I believe that there are some problems there.

**Claire Perry:** We are clear in our franchising agreements that improvements to stations are absolutely part of those projects. The hon. Gentleman has benefited locally, with Virgin West Coast installation of automatic ticket machines at Coventry station. I was pleased to participate in the opening of the Coventry Arena and Bermuda Park stations, to which the Department contributed almost £5 million, the first stage of the vital Nuckle scheme. That scheme was 14 years on paper under Labour; delivered under this Government thanks to the amazing efforts of the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones).

**Mr Speaker:** Sounds very exciting indeed, I am bound to say.

**James Berry** (Kingston and Surbiton) (Con): When we consider rail station refurbishments, one of the things that we should prioritise is disabled access. On the Chessington branch in my constituency there is not a single accessible station. In the renewal of the South Western route franchise, will the Minister therefore consider prioritising improvements to disabled access on our train stations?

**Claire Perry:** Mr Speaker, I am glad that you share my excitement about the improvements in the rail networks. We have set up the £400 million Access for All scheme, which has been wisely and well spent. I am always happy to look at additional station improvements and to meet with my hon. Friend to discuss.

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): I rise to support the point made by the hon. Member for Kingston and Surbiton (James Berry). I have nine train stations in my constituency. Unfortunately, about half are inaccessible for people in wheelchairs or with prams. We were using Access for All to improve those stations. The funding has been cut in half. Are we really doing enough?

**Claire Perry:** I am afraid I dispute the statement that funding has been cut in half. The first phase of the programme—£400 million—was delivered, but I am always keen to look at cost-effective ways to improve access for disabled people and young mothers with buggies, for whom a flight of stairs, as I know, and dads like the hon. Gentleman with his daughter know, can be a real problem. I am happy to meet further to discuss.

**Kevin Foster** (Torbay) (Con): Residents in Torbay have welcomed some of the investment that we have seen to improve Torquay station, but Paignton station is a relic of the Beeching era. It is the old goods shed, which was converted into a station. Will she meet me and a delegation from the bay to discuss how we can make Paignton a terminus for the 21st century?

**Claire Perry:** Of course. The best way to deliver station improvements is to get together the local group, the local enterprise partnership, local businesses and local communities. The record Government investment in the railways is best spent when it is pulled through to support local needs.

**Andy McDonald** (Middlesbrough) (Lab): What assurance can the Minister give that full accessibility for passengers with disabilities is made a priority in the refurbishment of railway stations? Will she ensure that the needs of passengers are central to the refurbishment or renovation of stations without any access provisions or stations that need upgrading? How can that be achieved, given the 40% cut to Access for All funding?

**Claire Perry:** I sometimes wonder whether we are reading the same papers. The Government are spending more on the railways—£38 billion—than has been spent at any time since the Victorian era. The hon. Gentleman is right to point out that disability access is hugely important. It is also important on the trains. All the train fleet will be disability compliant in the next few years. It is important, but we have a limited amount of money to spend on upgrading the railways, which were woefully neglected under his Government.

#### Laser Pens

9. **Greg Mulholland** (Leeds North West) (LD): What steps he is taking to tackle the use of laser pens to target aircraft. [904024]

**The Secretary of State for Transport (Mr Patrick McLoughlin):** There is already legislation prohibiting the use of lasers on aircraft. It is an offence to direct or shine any light at any aircraft in flight so as to dazzle or distract the pilot of the aircraft. Anyone found guilty of this offence could be liable to a fine, up to a maximum of £2,500. Anyone found guilty of endangering an aircraft, could be liable to up to five years imprisonment. We will keep this under review.

**Greg Mulholland:** I welcome the previous changes, which I backed, but more needs to be done. Half of pilots have reported a laser pen attack in the past 12 months, and it is a particular problem around Leeds-Bradford airport. What measures such as licensing or classification of laser pens as offensive weapons could be considered to put a stop to this dangerous practice?

**Mr McLoughlin:** A number of measures are being considered across Government Departments. I take the matter very seriously, particularly in the light of certain recent events that have been reported.

**Rehman Chishti** (Gillingham and Rainham) (Con): Following my conversation with the Secretary of State for Justice, I tabled a private Member's Bill to prohibit certain high-powered laser pens. Will my right hon. Friend speak to the Secretary of State for Justice to see whether the Bill can be taken forward? As the hon. Member for Leeds North West (Greg Mulholland) says, access to certain types of laser pens needs to be controlled.

**Mr McLoughlin:** I am aware of my hon. Friend's Bill. I can assure him that not only will I talk to the Secretary of State for Justice, but we are talking across other

Government Departments as well. As I say, the issue is taken extremely seriously. I will also listen to the representations that have been made to the Department by the British Airline Pilots Association and the Civil Aviation Authority.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): As we have just heard, the issue has had much coverage in the media over the past few months. The number of incidents has rocketed, no more so than in Glasgow, the area neighbouring my constituency, where more aircraft were targeted in the first two months of this year than in the whole of last year. Has the Minister made any representations on the matter to the Scottish Government and, if so, can he share those with the House?

**Mr McLoughlin:** I am more than happy to ensure that the Scottish Government are consulted if it is decided to take any further measures. The matter is taken seriously in all parts of the House and I welcome the points that the hon. Lady makes.

#### Network Rail: Privatisation

10. **Dr Alan Whitehead** (Southampton, Test) (Lab): What his policy is on privatisation of Network Rail. [904025]

**The Secretary of State for Transport (Mr Patrick McLoughlin):** I have no plans.

**Dr Whitehead:** The Secretary of State will be aware that the Treasury-backed Shaw report, the final version of which is due to be published next week and which looks at the future financing of railways, has made it clear that full privatisation of Network Rail is on the table. I am sure the Minister would agree that we do not want to go back to the dark and chaotic days of the private management of our rail system under Railtrack. Beyond having no plans, will he commit himself today to rejecting any recommendations that lead to the privatisation of Network Rail?

**Mr McLoughlin:** I congratulate the hon. Gentleman on seeing a report which I do not think has been published yet. How he knows what the contents are is beyond me. I am very proud of what we have achieved with the railway industry. It has been a fantastic success, with the franchising that takes place. I am sorry that that is being put at risk, not by the Government, but by the Opposition.

**Mr David Nuttall** (Bury North) (Con): Does my right hon. Friend agree that the evidence from other sectors shows that privatisation has the potential to increase efficiency and improve performance?

**Mr McLoughlin:** I do agree, but there is obviously responsibility for a system of railway maintenance and improvement, which is very important. Through the private sector we have seen vast improvements in our railway service. At the time of privatisation of our railways, there were 750 million people a year using trains; last year there were 1.6 billion and that figure is growing year on year. So I do not have to be convinced about the advantages of a system that has evolved over

a number of years, using the private sector. I will consider any other ways in which we can involve the private sector in providing better railway services for our constituents.

22. [904038] **Susan Elan Jones** (Clwyd South) (Lab): Network Rail has confirmed that it has considered selling up to 18 major stations and a number of other assets as it struggles to plug a £2.5 billion budget black hole. Would the Secretary of State like to comment on that?

**Mr McLoughlin:** The hon. Lady talks about a £2.5 billion black hole. We are investing over this railway period some £38 billion in Network Rail. If Network Rail is sitting on certain assets, should it consider disposing of some of them so that we can carry on improving the overall system? Yes, it should. I do not see anything wrong with that. Indeed, a number of asset sales took place under the previous Government too.

**Lilian Greenwood** (Nottingham South) (Lab): When the Secretary of State reads the Shaw report, I hope he will recognise the relevance of the words of the great rail manager Gerry Fiennes, who said that

“when you reorganise you bleed. For many months the few top people who keep the momentum up are distracted from their proper job. Punctuality goes to hell. Safety starts to slip. Don't reorganise. Don't. Don't. Don't.”

There is broad cross-party support for investment in the railways, for maintaining our outstanding safety record, and for delivering major projects such as HS2, so will the right hon. Gentleman give me an assurance that the progress that has been made will not be jeopardised by pursuing unneeded, unwanted and dangerous plans to privatise Network Rail?

**Mr McLoughlin:** I can tell the hon. Lady with absolute certainty that there are no plans to continue a disastrous policy of nationalising the railways, which is one that she and her party leader put forward. She just talked about all the investment that is going on, and, indeed, she has seen quite a bit of it in her own constituency, not least in Nottingham station. She welcomed that investment—of course she welcomed that investment, and I welcome investment in our railways too. However, it is worth asking how we carry on that level of investment—investment at a level she would only ever have dreamed of when Labour were in government.

### Rail Electrification Programme

11. **Christian Matheson** (City of Chester) (Lab): What assessment he has made of progress on the rail electrification programme. [904026]

**The Secretary of State for Transport (Mr Patrick McLoughlin):** In the north-west, the first ever electric trains are now running between Liverpool and Manchester, and between Liverpool and Wigan, and the Farnworth tunnel is now open, further proof of this Government's commitment to electrification—part of the biggest rail investment since Victorian times.

Last month, Network Rail marked a significant milestone in the introduction of the brand-new IEP trains by completing all 1,377 foundations needed for the overhead line electrification between Tilehurst and Didcot.

**Christian Matheson:** I thank the Secretary of State for that answer, but I have to note that, in the Transport for the North document, all the focus is on the large cities. To ensure that the fast-growing regions of Cheshire and, indeed, north Wales are not to be squeezed out by the large cities, will the Secretary of State look again at the possibility of better east-west electrification programmes that include parts of those areas, which he has not mentioned?

**Mr McLoughlin:** I thought I had mentioned quite a few areas. The truth is that the investment taking place in the northern hub, including the redevelopment of Manchester Victoria station, does a lot to increase connectivity right across the north-west. That links a number of the places the hon. Gentleman mentions directly into our northern cities.

20. [904036] **Chris Green** (Bolton West) (Con): Rail commuters in my constituency have been putting up with severe overcrowding for many years. The electrification of part of Bolton's network is welcome news, but it has been delayed by a year. Will the Government therefore examine whether rolling stock is available to alleviate that overcrowding?

**Mr McLoughlin:** We are looking at all problems with rolling stock as a result of any delays in the finalisation of electrification. There is a large amount of new rolling stock coming on to our railways over the next five years, not least the new IEP trains, but also the new trains on Thameslink—the Siemens contract, which is being developed at the moment and coming into operation later this year.

**Andrew Gwynne** (Denton and Reddish) (Lab): There is still an awful lot of engineering work to be carried out around Manchester Piccadilly and Oxford Road, and that work will almost certainly require the re-routing of trains through to Victoria while it takes place. When that happens, can we please consider using the line through Reddish South and Denton stations, which are currently served by one train a week in one direction only? If trains can be re-routed on to that line, can they please stop at those stations so that we can start to assess the passenger demand that there really is there?

**Mr McLoughlin:** If it is such a bad experience, I am sorry that the hon. Gentleman and his predecessor have been so bad at getting better services, but I am always willing to look at any suggestions. However, the hon. Gentleman's first point, about the problems with major re-engineering work being carried out on the railways, was actually very serious. That work does lead to inconvenience while it is being carried out, and that is something that we do try to address. It is also something that I regularly talk to the chief executive and the chairman of Network Rail about.

**Martin Vickers** (Cleethorpes) (Con): Clearly, good work is being done throughout the network, although I have to report that no progress is being made on electrification in northern Lincolnshire, which is probably one reason why the recent edition of *Rail Magazine* had a headline saying, “Rail service is truly grim for Grimsby”. Added to that, the Transport for the North publication

this week does not even include northern Lincolnshire routes on its map. Will the Secretary of State assure me that more will be done to improve services to my constituency?

**Mr McLoughlin:** After my hon. Friend's very successful campaign, we managed to protect the services in his area when we renegotiated the franchises. He has always pressed for greater services to his constituency. I will look at the issue, particularly when the new franchise starts operating later this year.

### High Speed 2

12. **Mr Steve Baker** (Wycombe) (Con): When construction of High Speed 2 is planned to begin. [904027]

**The Minister of State, Department for Transport (Mr Robert Goodwill):** A great deal of work has already been completed, and actual construction will start next year.

**Mr Baker:** Tempted as I am to propose that the Government build HS2 sometime in the Parliament after next, when it will be seen for the white elephant that it is, could the Minister reassure me that there is time enough to deal with all the environmental impacts of HS2, such as the construction impact on the historic village of West Wycombe in my constituency?

**Mr Goodwill:** My hon. Friend did promise me an impish supplementary question and I was not disappointed. The fact is that we have promised that there will be no net environmental loss during the construction. Indeed, we plan to plant 2 million trees as part of the phase 1 construction. I think it will be a project that we can be proud of and one that communities up and down the country will value as part of our economic plans.

**Mr Clive Betts** (Sheffield South East) (Lab): I rather like elephants, white or otherwise. Let us look at the building of phase 2 of HS2. The Secretary of State has said in the past that serious consideration would be given to the possibility of beginning construction on the northern part of phase 2 between Sheffield and Leeds in parallel with work on the southern part of that leg. How much serious consideration has been given to that, and is there a possibility that work between Sheffield and Leeds could begin before the very end of the project?

**Mr Goodwill:** It is important that we prioritise the Birmingham route, because that is where the congestion is and where the real benefits are. Let us not forget that those trains will run through to serve stations in the north and in Scotland from day one. It is very important that we look at how we can deliver that. Indeed, some of the investment at the station locations in the north can go ahead even before the trains reach those locations.

### Driving Test Centres: Waiting Times

13. **Callum McCaig** (Aberdeen South) (SNP): What steps he has taken to reduce waiting times at driving test centres. [904028]

**The Parliamentary Under-Secretary of State for Transport (Andrew Jones):** Demand for driving tests has increased and with it waiting times. The Driver and Vehicle Standards Agency is recruiting more examiners, improving its forecasting model to better match resource with demand, and redeploying examiners from lower-wait centres to those with higher waiting times.

**Callum McCaig:** Motorcyclists face a particular and perennial problem at the Cove driving centre in my constituency, because the motorcycling manoeuvre area is regularly covered in moss. Will the Minister look into that matter and make sure that every effort is being taken to ensure that motorcyclists are not disadvantaged?

**Andrew Jones:** I will certainly will look into that matter and respond to the hon. Gentleman.

**Tom Pursglove** (Corby) (Con): What assessment has the Minister made of email cancellations? I have been made aware of a number of cases where people have received them just minutes before tests were due to start. I would be interested to know the impact that is having on waiting times.

**Andrew Jones:** I will look into that. The challenge faced by the DVSA is one of increasing demand. Nationally over the past few months, 181 new driving examiners have started work, 70 people are either currently attending or booked to attend new entrant training courses, and 38 have been offered posts. The DVSA is, therefore, responding with more people, but it also needs to respond in a customer-friendly way. My hon. Friend makes an important point and I will look into it.

### Topical Questions

T1. [904005] **Steve Double** (St Austell and Newquay) (Con): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Transport (Mr Patrick McLoughlin):** We have continued to make progress on transport infrastructure schemes across the country. In the north, the "Northern transport strategy: spring 2016" report has set out more details of how we are building the northern powerhouse. In the east, we are working hard on evaluating bids for the East Anglia franchise, which will start this October, while in the south-west, Highways England has started local community engagement on the work on the A303 and A358 improvement plans. Connecting the country together, the HS2 phase 1 hybrid Bill Select Committee has published its final report after 17 months of hard work. I would like to thank all Members who were involved in that work for their significant time and effort over the course of those hearings.

**Steve Double:** The businesses and residents of the St Austell area have longed for a new road linking the town to the A30 for many years. A new road would also provide relief for the villages of Bugle and Roche. Yesterday, Cornwall Council's cabinet voted to approve the development of a business case for the new road. Will the Secretary of State confirm the Government's continued support for that new road, and will his Department continue to work with me to make sure that it is delivered as soon as possible?

**Mr McLoughlin:** My hon. Friend has made the case for that road to me on many occasions, not least when I was in Cornwall and he took me around the area that we are talking about. The Government are making funds available through the local road fund for local schemes that support economic growth. It will be up to Cornwall Council to prepare and submit the bid for funding in the normal way, but Cornwall has a very successful history of obtaining funds through that grant, and I wish it well with that scheme.

**Richard Burden** (Birmingham, Northfield) (Lab): The UK Airprox Board investigated 23 near misses between aircraft and drones in six months last year. Of those, 12 were deemed to involve a serious risk of collision. The British Airline Pilots Association wants the Government to run tests on what would happen if a drone were sucked into an engine or hit a windscreen, and the Government have had a working group on the matter since 2013. So why is it only this summer that Ministers will say anything? Should we not know by now what tests have already been done, what regulatory and other options are being considered and when Ministers expect any agreed option to be put into practice?

**The Minister of State, Department for Transport (Mr Robert Goodwill):** I assure the House that we take that matter very seriously indeed, and we are aware of the risk of a collision with a drone. Yesterday, I met representatives of the British Airline Pilots Association, and that was one of the topics that came up. As the Secretary of State said in answer to an earlier question, severe penalties are in place for people who get involved with such activities. There are a number of technologies, such as geo-fencing, which would prevent those aircraft from entering sensitive airspace. We take the matter very seriously, and we are considering the best action to take.

**Richard Burden:** On a different but also topical subject, I was in Kent yesterday talking to businesses that had felt at first hand the traffic chaos surrounding 32 days of Operation Stack last year. I know that the Government are consulting on lorry parks and junction improvements for future years, but what are they going to do to prevent a repeat of last year's scenes from occurring in 2016? I am not asking the Minister to tell me who he is meeting; I am asking him what the action plan is.

**The Parliamentary Under-Secretary of State for Transport (Andrew Jones):** Operation Stack is a critical part of controlling access to the ports and trying to make the ports flow more smoothly. We had exceptional circumstances last summer, with strikes as well as challenges over migrants closing the tunnel. The Operation Stack proposals, which are effectively to create an off-the-highway holding area, represent a significant investment; it is a £250 million project. The closure of the consultation is only a few days away. I have met Highways England and local providers of highways, and we are working on what we can do in the short term. I will keep local Members informed of that progress.

T2. [904006] **Julian Knight** (Solihull) (Con): On 4 February this year, hundreds of my constituents were gridlocked on the M6 and the M42 for an entire day following an accident. Would the Minister meet me to discuss lessons

to be learned from that day of chaos and examine proposals to open the M6 toll for free or for a nominal charge, but only when such crisis situations occur?

**Mr Goodwill:** There is an agreement in place whereby M6 tolls can be lifted in the event of a major failure that is likely to lead to prolonged inoperability of the surrounding roads on the strategic road network. The Government are looking at options over that agreement, but there are substantial cost, policy and value-for-money implications involved with de-tolling, which we are currently considering. As part of the process, I am more than happy to meet my hon. Friend to discuss the matter.

T4. [904008] **Alan Brown** (Kilmarnock and Loudoun) (SNP): With an estimated skills gap of some 50,000 HGV drivers predicted by the end of this Parliament, does the Minister agree that it would make sense for the Government to contribute towards the £3,500 training fee required for licences? Not only would that help to plug the skills gap, but it would mean more people working and paying tax, and it would reduce welfare.

**Mr McLoughlin:** I am looking at various options to help with this issue, along with other Departments. It is also for the industry to step up to the mark in its training programme.

T3. [904007] **Jeremy Quin** (Horsham) (Con): Will the Minister join me in welcoming the report published earlier this week by the Independent Transport Commission, which sets out ways in which the environmental impact of expansion at Heathrow can be mitigated? Given the increased confidence that it can be mitigated, and given the weight of opinion included in the Davies report, when can we look forward to a statement and progress on the matter?

**Mr McLoughlin:** I have noted the publication of the report by the Independent Transport Commission, which will obviously feed into our wider considerations. On the wider issue of airport capacity and when we will be able to make a decision on the location, I hope, as I have previously said, to be able to do so later this year.

**Peter Kyle** (Hove) (Lab): I have been contacted by one of my constituents, Fiona Brice, who describes the impact of late running trains on her job and her income. She says:

"Please understand that I am self-employed and cannot just phone in sick"

if I am late for work and the

"service fails me. This meeting was for a job worth £5,000 to me personally. Turning up 30mins late may well cost me this work."

Does the rail Minister accept that late running trains and the lamentable performance of Southern rail are having an impact on the productivity of the south of England?

**The Parliamentary Under-Secretary of State for Transport (Claire Perry):** The hon. Gentleman knows that I absolutely accept that point. I just point out that rail passenger satisfaction is up 3 percentage points over the country. The challenge we have is that, behind the national numbers, there are some lines, such as his Brighton

main line, on which customers are absolutely not getting the punctuality and the service they deserve. That is why we are so committed to getting Network Rail and the franchise holder to work together. There is no blame; we want the two of them to work together to improve the service.

T5. [904009] **Sir Henry Bellingham** (North West Norfolk) (Con): Does the rail Minister agree that capital improvements to the Ely North junction and the nearby crossing are crucial to securing improved services on the line between King's Cross and King's Lynn, thus unlocking more economic growth along the route? Will she and her colleagues work with me to help to secure this crucial investment?

**Claire Perry:** My hon. Friend and other hon. Members have left me in no doubt about the value of the Ely North junction upgrade work. I am disappointed that this work will not be completed until after 2019. As a result of discussions that he and others have organised, I am now more confident that the preparatory work the project needs can go ahead sooner, with funding coming from a variety of sources. I have committed my Department to work with him and the local team.

**John Pugh** (Southport) (LD): What actual progress has been made with the top three projects recommended by the northern electrification taskforce, which was chaired by the Under-Secretary of State for Transport, the hon. Member for Harrogate and Knaresborough (Andrew Jones)?

**Mr McLoughlin:** The report was a cross-party report from the taskforce, which was chaired by my hon. Friend. Much has obviously been learned about electrification since then, but the report forms part of the foundation for deciding how we will move forward with further electrification and how we will prioritise those particular schemes.

T6. [904010] **Mr Robert Syms** (Poole) (Con): I know that the Government keep the status of trust ports under periodic review. Poole, which is a trust port, is a successful port. Such a status has the support of the local community, and indeed of its Member of Parliament. I hope the shipping Minister understands that.

**Mr Goodwill:** May I first put on the record our gratitude to my hon. Friend for the very hard work he carried out as a member of the Select Committee on the hybrid HS2 Bill? We occasionally ask trust ports to review their status. All the feedback I have had from his trust port certainly shows that the trust port model is working well, and we would not wish to interfere with that.

**Barry Gardiner** (Brent North) (Lab): It is clearly in the public interest for a person reporting somebody as unfit to drive to have anonymity. However, does the Secretary of State agree that anonymity should be rescinded where the allegation appears to be malicious, and that the reporting form should clearly state that an accuser will be liable to prosecution if false accusations are made about an individual?

**Mr McLoughlin:** I think that is a matter for the Secretary of State for Justice, but I will reflect on the question.

T7. [904011] **Graham Evans** (Weaver Vale) (Con): Will my hon. Friend update the House on the reinstatement of the Halton curve, and will she agree to meet me and a group from the Merseyside local enterprise partnership to discuss this vital transport link, which is so important for Cheshire, Wirral, north Wales and beyond?

**Claire Perry:** My hon. Friend is right that this is a vital link. The Government have contributed £10.4 million to the work. I understand that the business case will be considered by the combined authorities in April. If approved—I hope it is—the work will go ahead in June next year and be completed by May 2018. It would of course be a pleasure to meet my hon. Friend and his friends, if only to feed him some buns to keep up his weight during his marathon training.

**Mr Speaker:** It is always useful to have a bit of additional information. I feel sure that the House is very appreciative, not least the hon. Gentleman.

**Danny Kinahan** (South Antrim) (UUP): May I thank the Minister of State for his visit to Northern Ireland? It was good to see everyone in the Union working together. He visited Belfast International airport, Lough Neagh Rescue and Wrightbus. Will he use his influence to help the various road and rail projects we saw, and help with things such as air passenger duty, enterprise zones and, of course, one day having a new runway here to improve links to Northern Ireland?

**Mr Goodwill:** It was great to visit Ulster and see some of the good news about the 300 new jobs at Belfast International airport. Ryanair is now based at that airport, with direct flights to Gatwick and new routes in the pipeline, including to Milan and Berlin. It was great to visit Northern Ireland, and I look forward to going again.

T8. [904012] **David Morris** (Morecambe and Lunesdale) (Con): In my constituency, a link road from the M6 to Heysham port will open within the next 12 months. Are there any plans to trunk that road, given that it is a strategic route, and will my right hon. Friend make a statement on that?

**Mr McLoughlin:** I visited that site with my hon. Friend not so long ago, and that major piece of new infrastructure will serve his area incredibly well. The question of trunking the road has not previously been raised, but I will obviously consider it. I am pleased that my hon. Friend and his constituents will see the benefit of our massive road investment scheme in the near future.

**Mr Clive Betts** (Sheffield South East) (Lab): When my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) and I raised some time ago the need for a road tunnel between Sheffield and Manchester, many thought that we were just kite flying. Even when the Government agreed to carry out a review, some thought that it would be only a desktop study. Will the Secretary

of State confirm that that road tunnel is a real possibility, and that it might even become a reality before some of us depart this world and fail to get the benefits of it?

**Mr McLoughlin:** I am not sure whether the hon. Gentleman is asking me to comment on his demise at this stage, but I will resist doing so. He may be right to say that when past Governments have raised this issue, it has been a desktop job. It is not a desktop job; it is a proper, serious piece of work. Importantly, such infrastructure would not be just for 30 years; it will be around for the next 100 years and very important to the area, and it would therefore probably see the demise of both of us.

T9. [904013] **Andrea Jenkyns** (Morley and Outwood) (Con): The Government are making a welcome investment in rail in the north, with electrification bringing huge benefits to constituencies such as mine. What will the Government do to upgrade stations such as Morley, where improvements to disabled access and other facilities are long overdue? Will the Minister meet me to discuss improvements at Morley station?

**Claire Perry:** My hon. Friend is right to mention Morley station. It has been put forward several times, but there were many others ahead of it in the queue in terms of passenger footfall—again, we are trying to catch up from decades of neglect. It would be a pleasure to meet her and discuss station refurbishment, in particular disability access.

**Andrew Gwynne** (Denton and Reddish) (Lab): I am sorry that the Secretary of State did not think much of the second part of my earlier question, but it was deadly serious. The re-routing of services because of the work at Piccadilly and Oxford Road will use the line through my constituency. May I meet the Secretary of State so that I can explain the importance of being able to assess whether Denton and Reddish South stations can make a business case for future services?

**Mr McLoughlin:** I am glad that topical questions have given the hon. Gentleman another chance to ask that question because he was not satisfied with the answer in the first place—I presume it was topical because he was not happy with the first answer. I understand that he will meet the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) in 30 minutes, and no doubt he will add that issue to the list of things to discuss.

T10. [904014] **Matt Warman** (Boston and Skegness) (Con): I recently visited Vivarail, which is refurbishing tube trains for main line use. Does my hon. Friend agree that those trains could make an excellent replacement for the decrepit rolling stock on the line from Boston to Skegness?

**Claire Perry:** Like my hon. Friend I have also visited the Vivarail facility, and there are fantastic innovations with rolling stock that is made of aluminium, is rust free, and could run for many more years. The East Midland franchise competition is coming up this summer, and the successful bidder will be required to bid based on the rolling stock they will provide. We expect them to be innovative and to consider each and every opportunity for rolling stock. We want to improve the rolling stock in my hon. Friend's region.

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): The proposed trans-Pennine tunnel mentioned by my hon. Friend the Member for Sheffield South East (Mr Betts) would be transformative, not just for congestion in my constituency, but for our local economy. Yes it is ambitious, but I say that the north is worthy of that level of ambition. Will the Secretary of State reiterate what he has just said, and urge the Chancellor to show his support next week?

**Mr McLoughlin:** I do not think I need to encourage the Chancellor on infrastructure spending. I have been incredibly successful in securing funding for infrastructure from the Chancellor, who certainly gets the importance of infrastructure investment, not least in the north. Indeed, it is his policy to pursue the northern powerhouse and to take forward transport for the north. That will have a transformative effect on transport between our northern cities and is something other parts of the country are looking to follow.

**Tim Loughton** (East Worthing and Shoreham) (Con): The Secretary of State will recall the Shoreham airshow crash, which tragically claimed the lives of 11 men in my constituency last August. I just received a call from the media asking for my comments on the air accident investigation board report on the air crash, which apparently is being published today. Why was I not aware of that and what plans do the Government have to respond to it?

**Mr McLoughlin:** I am not sure we do pre-notification of air accident investigation board reports before they are published. I think it is part of the report that is being published later today. I do not think it is the full report, but a part of its investigation. It is taking the opportunity to update people on where it has got to so far.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I am sorry. There are several colleagues who have been waiting very patiently, but I am afraid that today demand has heavily outstripped supply and we must now move on.

## Pubs Code Adjudicator

10.36 am

**Greg Mulholland** (Leeds North West) (LD) (*Urgent Question*): To ask the Secretary of State for Business, Innovation and Skills if he will make a statement on the appointment of the first Pubs Code Adjudicator.

**The Minister for Small Business, Industry and Enterprise (Anna Soubry)**: As I announced to the House yesterday, Paul Newby has been appointed as the first Pubs Code Adjudicator. I hope the House will join me in congratulating him on his appointment. I pay tribute and say thank you to all those who applied for this important position. I also pay tribute, as I am sure the House will, to all the candidates in an excellent and very strong field.

Mr Newby will start his work full time on 2 May. He has actually already started work. He has been very helpful to my officials in making sure that we have the pub code up and running, and ready to come before this House. Paul Newby is a chartered surveyor with a particular expertise in valuation and arbitration, key skills for the Pubs Code Adjudicator. He has 30 years' experience of the pub trade, working with pub company landlords and pub tenants. I think he will be an excellent Pubs Code Adjudicator.

**Greg Mulholland**: I am afraid that is not a view shared by tenants' groups, who have been absolutely astonished by this appointment. Let us be clear, this is the appointment of someone who is a director of a company that derives the majority of its income from the very companies the legislation is intended to regulate. By his own admission—it is on his CV—he has been engaged by numerous managed and tenanted pubcos on rent review matters. In the past five years he has acted for Enterprise Inns, Marston's and Punch Taverns. The very companies he is currently acting for are bullying and coercing tenants into signing away their rights or forfeiting pubs. His company is actively involved in selling off pubs. How can he possibly be trusted to be impartial, given that for 20 years his salary has been dependent on those he must now adjudicate on and potentially impose financial penalties on? There is a clear conflict of interest, which appears to render this process extremely dubious at the very least.

I must ask the Minister for urgent clarification. Did Mr Newby, as a director, declare how much of the income of the company he works for is derived from the companies he will supposedly adjudicate on? Will he be stepping down from his role as director of Fleurets during the four-year period? How can tenants have any confidence in this appointment? Why has a chartered surveyor been appointed, rather than someone from a legal background or an independent arbitrator? How was this process conducted? We do not know who was involved, how many candidates were involved or who made the final decision.

This is a very worrying appointment that once again demonstrates either complicity with pubco influence or an utter lack of understanding and knowledge of the issues and the conflicts in the sector. It is in danger of making a laughing stock of the adjudicator's role. Tenant groups predict that if this appointment is allowed to stand, the statutory reforms will go the same way as the

failed self-regulatory regime. It is a crass, complicit and clueless appointment, and it now needs to be properly scrutinised by the House.

**Anna Soubry**: That was an absolutely disgraceful set of slurs—[*Interruption.*] I would appreciate it if the hon. Member for Leeds North West (Greg Mulholland) would be good enough to listen. Paul Newby was appointed absolutely in accordance with the usual ways of public appointments, and I take very grave exception to any allegation that either I or anybody else has acted improperly or with complicity. As I said, Mr Newby has represented not just pub trade companies but tenants. He has 30 years' experience effectively representing both sides. He is an experienced arbitrator, and the great skills he brings to this position do not just include his extensive experience of the pub trade industry; like many professionals, he has the absolute ability to be fair and to arbitrate fairly. The fact that he might be representing somebody does not mean he is in their pay; he can act independently.

**Greg Mulholland**: He is in their pay.

**Anna Soubry**: Oh no. The hon. Gentleman does not understand how professionals work, and many of us take great exception—[*Interruption.*] Opposition Members would do better not to heckle about somebody they do not even know. They have not looked at his antecedents. I made the announcement only yesterday in this place at about 7 o'clock. I have no doubt that Mr Newby's considerable experience and ability to do the job are first rate, and I take great exception to the idea that there has been an impropriety.

**Peter Kyle** (Hove) (Lab): Do you know him?

**Anna Soubry**: No, I don't know him. I did not meet him until—[*Interruption.*] I met him at the end of the procedure, as the House would expect. His was one of three names put forward, quite properly, in a full, open and fair process, and I object very strongly, on behalf of Mr Newby, who will do this job with propriety. All things will be done properly.

**Sir Henry Bellingham** (North West Norfolk) (Con): The Minister has behaved absolutely correctly and properly. Surely what matters is Paul Newby's ability. Does she agree that he should look first at, among other things, the loophole that allows retailers and shop owners to buy a pub that does not require planning permission, whereas if it reverts to being a pub, it does require planning permission?

**Anna Soubry**: Yes. Paul Newby's primary job, of course, is to implement the pubs code and make sure it is complied with. When people invoke the pubs code, his job will be to act as a fair arbitrator, and I have no doubt that he has all the necessary skills and experience of the pub trade. As I have said, he has experience of representing both pub companies and tenants, so he sees things from both sides; he has all the skills, and his appointment was made with great care and total propriety.

**Bill Esterson** (Sefton Central) (Lab): The way the Minister announced the appointment yesterday—as part of the shambolic proceedings on the Enterprise Bill and

Sunday trading—did not exactly inspire confidence. She announced it in an intervention—of all things—on Third Reading, after the Secretary of State could have mentioned it in his Third Reading speech. If nobody had mentioned the pubs code on Third Reading, the announcement would not have been made even then.

Turning to Paul Newby's appointment as the first adjudicator, I certainly look forward to meeting him and to raising the concerns raised by the hon. Member for Leeds North West (Greg Mulholland) and, more importantly, by pub tenants about the relationship between Mr Newby's employers and the large pub-owning businesses. I do not think that the tenants will be at all reassured by what the Minister has said. The challenge for Mr Newby will be in ensuring a level playing field between tenants and pubcos. How does she think that he can do that, given the concerns that have been raised by tenants?

There is a very real danger that someone who has acted for Punch Taverns, Enterprise Inns and Marston's will be seen as continuing to act on their behalf, and the Minister must be aware of this very real concern, as she sits there, chuntering as usual. She will also be aware of concerns among tenant groups that the adjudicator should not be a chartered surveyor. Will she pursue concerns about the attitude of the Royal Institution of Chartered Surveyors about parallel rent assessments?

Labour raised concerns about the pubs code in the Lords and in Committee here, so will the Minister raise those concerns with the adjudicator about pubcos offering shorter leases to make it impractical for tenants to take up the market rent only option? Will she ensure an effective date of 1 June for tenants who wish to take up the MRO, rather than allowing a potential delay of six months—another of the asks of pub tenants?

The shambolic approach to the initial consultation on the pubs code undermined pub tenants' trust, which is back on track after concerns were raised by pub tenants organisations—

**Mr Speaker:** Order. I think that we will leave it at that. Forgive me. I am extremely grateful to the hon. Gentleman. [*Interruption.*] On this occasion, I advised the principal actors on this stage that I would be quite insistent that the time limits be kept. To be fair, the Minister was well within her time, and the hon. Member for Leeds North West (Greg Mulholland) exceeded his by a small number of seconds, but he was closer than he has been in the past. No discourtesy is intended to the hon. Member for Sefton Central (Bill Esterson). I think that he has got the thrust of it across. But, please, we really must from now on stick to the limits; otherwise it is not fair to Back Benchers. I think that we are very clear what the hon. Gentleman has to say, and I thank him.

**Anna Soubry:** We are confident that the pub code will be in its proper form, laid at the appropriate time and up and running by 1 June. Yesterday, a press release was prepared for publication today. I took the opportunity, as you know, Mr Speaker, to tell the House first—I thought that was a courtesy to the House—and I did so in an intervention on the hon. Member for Leeds North West because I thought he had a proper interest in pubs and that he might be in some way grateful, but we live and learn.

**Andrew Stephenson (Pendle) (Con):** I very much welcome the Government's action on this issue. I represent a number of pubs that I have dealt with over the years that have had problems with the large pubcos that own them. Does the Minister agree that in appointing a fair and experienced adjudicator, it is important that we appoint someone who understands both sides of the argument and can therefore adjudicate fairly?

**Anna Soubry:** I absolutely agree. That is the joy of Paul Newby: not only is he a chartered surveyor, with all that that brings to the job, but he is an experienced arbitrator who has knowledge of both sides. I know that he will be fair. I have complete confidence in him. He is very good news.

**Alan Brown (Kilmarnock and Loudoun) (SNP):** The pubs adjudicator is effectively classed as England-only, but, as with Sunday trading, the proposals on market rent only options could have an effect in Scotland, because pub companies might direct investment towards pubs in England and Wales. The Scottish Government are consulting on the effect of tied pubs in Scotland. Will the Minister ensure that the adjudicator takes cognisance of the consultation in Scotland and the possible effect of the proposals on Scottish pubs and Scotland?

**Anna Soubry:** I do not think there was a question there, but I am sure that we can have a chat about this afterwards and discuss all these things.

**Bob Blackman (Harrow East) (Con):** Can my right hon. Friend confirm that this appointment has been made absolutely on merit, fairly and without interference from the Government? The most important thing is how the person does the job and implements the pub code.

**Anna Soubry:** I am grateful to my hon. Friend for his comments, and he is absolutely right. This is actually an insult to the civil servants and all those who took part in the process, because they exercise the greatest care in ensuring that the very best candidates are put forward as the final seven and then the next three who come to the Minister, often with a recommendation in relation to one of them. I do not take this personally; it is against not me, but against my civil servants and all that team. This is very good news: Paul Newby is fair and he knows what he is talking about.

**Mr Barry Sheerman (Huddersfield) (Lab/Co-op):** I have a recorded interest in pubs, and I chair the John Clare Trust, which owns a pub in which John Clare played and sang. It is not operating at the moment, but it will be. Let us depersonalise this issue. I work very closely with "pub is the hub"; pubs are central to our communities in Britain. I do not know this man, and I hope he does a good job. Unlike the supermarket adjudicator, however, I hope this man will have some teeth to do something about the vigorous brewing and pub industry in this country.

**Anna Soubry:** It is, of course, all about getting the balance right. I take exception, however, to what the hon. Gentleman said about Christine Tacon, the Groceries Code Adjudicator, who now has exactly the teeth that

[Anna Soubry]

he would like. She has not held back in her criticism, as we saw only recently. She is doing a great job. She now has the power to impose fines. In any event, the most important thing is the naming and shaming. As the hon. Gentleman will know, that is sometimes the most powerful tool. The code adjudicator is just that—an adjudicator to ensure fairness. Paul Newby will do that.

**Tom Pursglove** (Corby) (Con): What involvement, if any, have both sides of the industry had in this selection process?

**Anna Soubry:** I can assure my hon. Friend that there has been no influence at all. We sought somebody with the right skills set who could be an experienced arbitrator and who understood the trade and had the ability to see things from both sides. Paul Newby has all those skills and more.

**Mr Adrian Bailey** (West Bromwich West) (Lab/Co-op): As Chair of the BIS Select Committee that initiated one of the earlier inquiries which informed this particular piece of legislation, I would not wish to prejudge the performance of Paul Newby, but I emphasise that there is huge disquiet among the tenants. Will the Minister consider that and review the adjudicator's performance after a certain time, and keep up a dialogue with the tenants to ensure that their concerns are met? Otherwise, this issue will not go away.

**Anna Soubry:** I am grateful for the hon. Gentleman's comments. I am pleased that he, unlike others, has an open mind. I think he will be impressed by Mr Newby. He is absolutely right in any event that, as with all appointments, if someone is not performing adequately, that is matter of concern and measures can be taken to rectify it. There are many tied tenants in pubs throughout England and Wales, so we must be careful to ensure that groups genuinely represent the voice of all tenants. We must not let a few dominate the debate. It is important to be fair to both sides and to make sure that all the tenant groups are involved; this is why I am a great fan of Campaign for Real Ale, which represents a large section of tenants.

**Craig Mackinlay** (South Thanet) (Con): I echo the sentiment that the pub is at the heart of many communities, particularly in smaller towns and villages. I am hoping that the appointment of Mr Newby will normalise many of these relationships. I hope this will help to avoid what happened in the case of a pub near me, the Chequer Inn in Ash, which has suffered under an overbearing pub company. New tenants are tempted in and the pub runs well, but then prices escalate until they are forced to collapse and close, when we see a planning application for alternative use. I am really hoping that this will normalise these relationships.

**Anna Soubry:** I could not agree more with my hon. Friend. It is the change of culture that is so important. We have all encountered similar examples in our constituencies; I, too, have fought to keep local pubs open. Unfortunately, I was not successful in one instance, although I was in another. It is about changing the

atmosphere and making sure that pubcos act in a sensible and responsible manner, not just towards their tied tenants, but to the broader communities.

**Jim Shannon** (Strangford) (DUP): I understand that the Royal Institution of Chartered Surveyors failed to respond to the Government's request for clarification on rent assessment guidance, and has clearly laid out its position that it is against a parallel rent assessment through which a tenant can compare their tied rents and rewards with the rents and rewards of those who are not tied. Will the Minister confirm how the adjudicator reconciles his position with that of a professional body such as the RICS?

**Anna Soubry:** I hear what my hon. Friend says—he is my Friend, as he knows—but I can tell him that Paul Newby is going to be his own man. I was a member of a professional body, and the Bar Council often had a point of view that I personally completely disagreed with. Paul Newby is a good man and he will be his own man. He will be fair, and he comes with a huge skill set.

**Mr Speaker:** I am bound to say that I am rather staggered by the fact that the hon. Member for Kilmarnock and Loudoun (Alan Brown) seems to have disappeared from the Chamber. The question is ongoing, and the hon. Gentleman is the Front-Bench spokesman for his party. He should not be toddling out of the Chamber in the middle of the exchanges. These courtesies really must be observed. This really will not do. Honestly!

**Mr David Nuttall** (Bury North) (Con): The appointment brief for this role, which was issued in July last year, stated that—[*Interruption.*]

**Hon. Members:** Hooray!

**Mr Speaker:** Order. It is very good that the hon. Member for Kilmarnock and Loudoun has beetled back into the Chamber. We are deeply grateful to him, but I want the hon. Member for Bury North (Mr Nuttall) to have his question heard without interruption and with the reverence that it warrants.

**Mr Nuttall:** It is a brief question. The appointment brief for this role, which was issued in July last year, stated that the appointment would be announced in January. Can the Minister tell me why the announcement was delayed by two months?

**Anna Soubry:** If I am wrong about this I will apologise profusely, but if my memory is correct, it was because Mr Newby had to serve a period of his contract before he could give notice. I believe that the decision was made just before Christmas, but we could not announce it until now because of his relationship with his employer.

**Mr Speaker:** I call Liz Saville Roberts—[*Laughter.*] That is inexplicable to me, but I am sure that nobody is laughing at the hon. Lady, whom I take extremely seriously. I want to hear what she has to say.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): Thank you, Mr Speaker. In the Dwyfor region of my constituency, one brewery effectively has a monopoly, with 30 tied houses. This blocks local producers such as Cwrw Llyn

from selling to pubs on their doorstep. More than 100 small breweries are in a similar position across Wales. Could the economic context of Wales be considered by the newly appointed pubs adjudicator?

**Anna Soubry:** I do not think that that falls within his remit. He is there to ensure that anyone who raises a complaint under the pub code will be able to be heard fairly and that the matter can be arbitrated in the right way. The hon. Lady raises an important point, however. We all know the huge importance of our pubs to communities, and it is absolutely the case that they should trade fairly.

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): Can the Minister tell us how many years the initial appointment is for? If it is only for a short period, there will be understandable concern that the adjudicator will not want to burn their bridges with the pubco industry.

**Anna Soubry:** I have just been helped by those sitting in the Box—I nearly said “those who instruct me”—and the answer is four years.

**Tom Brake** (Carshalton and Wallington) (LD): Is the Minister confident that this appointment abides by the principles of the Committee on Standards in Public Life?

**Anna Soubry:** Yes.

## Business of the House

10.58 am

**Chris Bryant** (Rhondda) (Lab): Will the Leader of the House give us the forthcoming business?

**The Leader of the House of Commons (Chris Grayling):** I should like to start by informing the House that the state opening of the next Session of Parliament will take place on Wednesday 18 May. I am also pleased to announce the calendar for this House for the remainder of the year. The House will rise for the early May bank holiday on Thursday 28 April and return on Tuesday 3 May. For the Whitsun recess, the House will rise at the conclusion of business on Thursday 26 May and return on Monday 6 June. Members will wish to know that, additionally, the House will rise at the conclusion of business on Wednesday 15 June and return on Monday 27 June. The House will rise for the summer recess at the conclusion of business on Thursday 21 July and return on Monday 5 September. The conference recess will commence at the close of business on Thursday 15 September, with the House returning on Monday 10 October. The House will rise on Tuesday 8 November and return on Monday 14 November. Finally, for the Christmas recess, the House will rise at the conclusion of business on Tuesday 20 December and return on Monday 9 January 2017. As usual, all dates are subject to the progress of business, as they have been for the past few weeks.

The business for next week is as follows:

**MONDAY 14 MARCH**—Remaining stages of the Energy Bill [*Lords*].

**TUESDAY 15 MARCH**—Second Reading of the Investigatory Powers Bill, followed by a motion to approve a statutory instrument relating to the Terrorism Act 2000.

**WEDNESDAY 16 MARCH**—My right hon. Friend the Chancellor of the Exchequer will deliver his Budget statement.

**THURSDAY 17 MARCH**—Continuation of the Budget debate.

**FRIDAY 18 MARCH**—The House will not be sitting.

The provisional business for the week commencing 21 March will include:

**MONDAY 21 MARCH**—Continuation of the Budget debate.

**TUESDAY 22 MARCH**—Continuation and conclusion of the Budget debate.

**WEDNESDAY 23 MARCH**—Remaining stages of the High Speed Rail (London - West Midlands) Bill, followed by, if necessary, consideration of Lords amendments. I might just take the liberty of offering my thanks on behalf of the House to all those who have been involved in the extended period of the Committee stage of that Bill.

**THURSDAY 24 MARCH**—Business to be nominated by the Backbench Business Committee.

**FRIDAY 25 MARCH**—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for 17 March and 21 March will be:

**THURSDAY 17 MARCH**—General debate on cabin air safety and aerotoxic syndrome.

[Chris Grayling]

MONDAY 21 MARCH—Debate on an e-petition relating to contract negotiations with the British Medical Association.

**Chris Bryant:** I am absolutely delighted that the Leader of the House has confirmed the recess dates that I announced three weeks ago—I am glad that he is catching up. The decision to hold the Queen's Speech on 18 May is a profound mistake. Whatever the Government's intentions, they will be misconstrued. We have already seen that the Brexit campaign is now so desperate that it is even trying to recruit members of the royal family to its cause. I say, "Lay off the Queen and think again." After all, there is plenty that we could be getting on with.

The Government's permanently delayed decision on Heathrow is hurting business. Their long-delayed childhood obesity strategy is hurting children. They promised to change the law to make it easier to put up mobile phone masts in the countryside four years ago. The Prime Minister even mentioned it again yesterday—great! We have been calling for it for years, but why do they not just publish the electronic communications code tomorrow?

Incidentally, have the Government learned anything from yesterday—how to count perhaps? The way in which Ministers handled the Enterprise Bill really was a classic case of how not to do it. They were so scared of the bishops that they let the Bill go all the way through the Lords without mentioning Sunday trading, the provisions on which they inserted upstairs in Committee. At one point in Committee, the Ministers forgot to vote, but a generous Chair allowed them a second chance. Then, at the very last instance, they tabled a manuscript amendment to their own amendment. Some people have said that they are being too clever by half, but, to be honest—to coin a phrase—I think they are just a little dim.

I gather that there were many blandishments to rebels yesterday. Arms were twisted and the Chief Whip explained the facts of life to recalcitrant Members. Apparently, the Chancellor even tried being charming, but that was so terrifying that one rebel Member's hair turned completely grey and she may never regain the power of speech. Still, after all that, the Government lost. Can you hear that sound, Mr Speaker? It is the sound of the slow ebbing out down the beach of the authority of the Prime Minister and the Chancellor of the Exchequer. I offer this advice for free: this House never likes sharp practice, so stop trying to pull a fast one and just do things the proper way.

Incidentally, is it not time that we abandoned English votes for English laws? Last night, we had the hilarious sight of Ministers staring at you, Mr Speaker, in blank amazement when you suspended the House. When the hon. Member for Perth and North Perthshire (Pete Wishart) asked the Chairman of Ways and Means, who should know the answer, if he could explain what was going on, Mr Deputy Speaker made it absolutely clear that he had not the foggiest idea what was happening. Looking at the Minister for Small Business, Industry and Enterprise, it seemed as though there was a desert of vast eternity between her ears. Nobody understands the system. It wastes time and it has not made a difference to a single decision so far. It is not Bills that need certifying; it is the Leader of the House for introducing this muddle. It is time to abandon it.

Incidentally, I note that the Leader of the House is giving a Brexit speech today—we are all agog. Did he have to get approval for his speech from the Prime Minister, or from the actual leader of the out campaign, the Justice Secretary? Can the Leader of the House guarantee that his special advisers were not involved in briefing the papers on this speech and will not be in attendance when he makes it? The Cabinet Secretary has explicitly instructed that special advisers may not do so during office hours. Is the Leader of the House therefore being forced to make the speech under cover of darkness? He and I do have one thing in common, however. On Tuesday night, the Labour party auctioned off the opportunity to swim with sharks with me—this is instead of attending a meeting of the parliamentary Labour party—and I fear that he may be swimming with the fishes after 23 June.

The Business, Innovation and Skills Committee has written to Mike Ashley, the chief executive and majority shareholder of Sports Direct, to demand that he gives evidence on his company's decidedly shady practices, but he has refused. This is a truly hideous company. In one warehouse, 80% of staff are on zero-hours contracts. Every member of staff is subjected to a 15-minute search at the end of the day, unpaid. The effective hourly rate is way below the minimum wage, so he should of course be appearing before the Select Committee. Will the Leader of the House confirm that the House can deal with recalcitrant executives? If necessary, the Select Committee can order Mr Ashley to appear. If that fails, it can ask the House to force him to attend and, if necessary, to be arraigned before the Bar of the House. He may be the 22nd-richest man in Britain, but he is running a modern-day sweatshop and the House will get to the truth.

If we are to criticise the working practices of Sports Direct, however, surely we should put our own house in order. Since 2010, the cost of agency staff working in the House's catering and hospitality department has quadrupled. Agency staff now represent one in 12 members of staff, which means that the House will be paying substantially more than those employees will be getting, and they will receive no share of the tips. Should we not bring such staff in house and ensure that everyone gets a fair share of the tips?

Finally, may I say happy birthday to my father for tomorrow?

**Chris Grayling:** I am delighted to send many happy returns to the hon. Gentleman's father. I also want to take a moment to celebrate another important occasion that is a matter of great interest on the Opposition Benches. Tomorrow is the centenary of the birth of Harold Wilson and it is worth this House marking that. Many people have made the case for having a statue of him in this place. There is a lot to be said for that, so I hope that the Speaker's Advisory Committee on Works of Art will give it due consideration. It is particularly apposite to celebrate his life at the moment because, 41 years ago, he was the first person to give us a referendum on our membership of the European Union.

**Chris Bryant:** And won it.

**Chris Grayling:** I hope to be part of a winning side as well. The other thing about Harold Wilson is that he is a former Labour Prime Minister whom the Opposition

are still happy to talk about, which is a bit of a rarity in today's world.

The shadow Leader of the House went on about the Queen's Speech, but I do not understand what he is talking about. One moment he talks about a zombie Parliament with nothing to do, but now he complains that we are having a Queen's Speech in May containing an important set of measures that will help to reform this country. The Opposition talk about a zombie Parliament, but last Monday we had the Second Reading of the Policing and Crime Bill, which is an important set of measures that will make a difference to policing in this country. Government Members were here debating it, but where were the Labour Members? They barely turned up and the business finished early. We do not have a zombie Parliament; we have a zombie Opposition.

The hon. Gentleman talked about the authority of the Prime Minister seeping away, but I have to say that coming from the Labour party today, with the authority of its leader seeping away, that is frankly unbelievable. We sit at Prime Minister's questions each week and look at the faces of Opposition Members as their leader asks questions. The shadow Leader of the House's face is a picture; we know what he thinks about his leader. The Opposition are profoundly depressed and miserable, to the extent that today we have the first speech in the next Labour leadership contest.

The shadow Leader of the House asked about the speech I am going to be giving today, but what he missed was that I have already given it, so he clearly was not paying that much attention.

**Chris Bryant:** Yes, we missed it. We certainly did.

**Chris Grayling:** Surprisingly enough, I am not after his support.

As for the EVEL vote and the procedure that the shadow Leader of the House talked about, the Conservatives stood on a manifesto of giving the English a share in the devolution settlement. We took that through the House and it is now in operation. If it is now the Labour party's policy to say to English voters, "We will take away from you your bit of the devolution settlement," I look forward to having that debate on the doorsteps and at the ballot box.

On the subject of Mike Ashley and the Business, Innovation and Skills Committee, of course it should always be the case that if a Committee of the House seeks to bring somebody who is a citizen of this country before it, it should be free to do so. That should happen, unequivocally.

On employees in this House, I simply remind the hon. Gentleman that he is a member of the House of Commons Commission. We discuss how we spend money on this House, but I do not remember him bringing that issue to the Commission. I am sure that he will do so and we will be able to consider it.

Finally, this weekend is the denouement of the rugby six nations between Wales and England at Twickenham. I am sure that the hon. Gentleman will be there cheering on his side, and I will be cheering on the English, but I would say, "May the best team win." One thing we can be sure about is that he will not be joining in the singing of "Delilah" this weekend, but he has written that, even as a republican, he looks forward

"to a good old blast of 'God Save the Queen'", so I am sure that he will be joining in with the anthem on Saturday.

**Amanda Milling** (Cannock Chase) (Con): Next week, I will be going back to Redbrook Hayes Community Primary School in Brereton, which has recently been rated good following a couple of years of hard work and commitment from the headteacher, Chris Gaffiney, and all his team. May we have a debate in Government time about the progress that is being made to improve school standards?

**Chris Grayling:** My hon. Friend makes an important point, and I should wish her a happy birthday for Saturday as well. We have made enormous progress under this Government and the coalition Government on improving educational standards in our schools. That is essential to the future success of our nation. I pay tribute not only to the headteacher she mentions, but to all those in her constituency who are helping to make a difference for the young people of Cannock Chase.

**Pete Wishart** (Perth and North Perthshire) (SNP): I, too, thank the Leader of the House for announcing the business for next week. Let us see whether we can get through this business quickly so that he can resume his core business of slugging off his right hon. Friend the Prime Minister.

The big issue of the day is whether Her Majesty the Queen is a Brexiteer or not. I have an elegant solution for how we can try to discover that: we could perhaps dispatch the Prime Minister to the palace to ask her indirectly—one purr for in, two purrs for out. That would solve the issue, Mr Speaker.

**Mr Speaker:** Order. I hesitate to interrupt the hon. Gentleman. He said what he said, but for the benefit of the House, and particularly for the benefit of new Members, may I underline that we do not discuss the views of the monarch in this Chamber? There have occasionally been debates on matters appertaining to the royal family, which I have happily granted, but we do not discuss that matter. I think it better if we just leave it there. Mr Wishart, please continue.

**Pete Wishart:** You are absolutely right, Mr Speaker. We will leave it entirely to Government figures to do that.

Yesterday, the Government were defeated and it was the SNP wot won it—[*Interruption.*] I am afraid that we cannot take exclusive credit for that incredible victory—there were others, of course, and we did have some friends in the Conservative party—but we SNP Members really enjoyed the wailing and gnashing of Conservative teeth. There was something almost delicious about the way in which the Tories lashed out at the SNP. This Government, having imposed English votes for English laws, criticised our temerity for getting up and supporting Scottish workers. Do the Government believe for a minute that normal rules stand when it comes to issues such as this?

The Government have imposed these ridiculous EVEL rules without the agreement or support of any other party in the House. What about those rules, Mr Speaker? No one had a Scooby what was going on yesterday. I asked the Deputy Speaker and he did not know. I do

[Pete Wishart]

not blame him, Mr Speaker; you would need an advanced degree in madness and impenetrable inconsequential even to start to understand what is going on with the dog's breakfast that is EVEL. The time has come to abandon EVEL and to decide that it does not work. If anything was to happen to the Leader of the House—some accidental consequence of his support for the leave Europe campaign—this will be his legacy. What a legacy to leave the House divided on an issue such as EVEL.

I support the calls that were made yesterday by my right hon. Friend the Member for Moray (Angus Robertson). We should have a debate on the treatment of asylum seekers in this country and especially the evidence that has been uncovered thus far about their treatment. Perhaps we could have a proper look at the use of private services in dealing with asylum seekers.

We are also grateful to the Leader of the House for announcing the recess dates and that there will, after all, be a Queen's Speech before the European referendum, but once again the recess dates do not cover the Scottish National party conference. We are the third largest party in the House. The recess covers the Liberal conference, but may I have a guarantee from the Leader of the House that 14 October will be a non-sitting day so that the members of the third party in the House can also get to their conference?

Once again, all the time that we are having off in the summer does not include the Scottish school holidays. My hon. Friends will not be able to spend the same amount of time with their families as hon. Members from other parts of the United Kingdom. We need to get that fixed for next year, get the SNP conference covered, and for goodness sake try to cover the holidays of every nation of the United Kingdom.

**Chris Grayling:** First, Mr Speaker, may I thank you for what you said about the Queen and the royal family? That was absolutely appropriate. The one thing it is always appropriate to say in this House is how much we value our monarch and appreciate the magnificent job that she does for our nation.

With regard to events yesterday, the hon. Gentleman said, "It was the SNP wot won it." He knows that I have a high regard for him, but yesterday was one of those occasions when it was clear how far away from political principle the SNP can find itself. SNP Members cannot talk about the importance—as they always have and did during the EVEL debate—of standing aside from matters that are England only, but then dive in when it is opportunistic for them to do so. That is a party of opportunism, I am afraid, not a party of principle.

I listened again to the hon. Gentleman's words about EVEL. As he knows, I was in Scotland last week, supporting our fine team campaigning in the Scottish elections. One of our Scottish members said to me, "That Mr Wishart is very hysterical, isn't he?" I had to reassure him and say, "Look, he is actually a nice guy behind the scenes." However, when I hear comments such as those that he made this morning, I understand why some of the people of Scotland get the wrong idea about him.

My right hon. Friend the Home Secretary takes seriously the issue of asylum seekers. We will always do our best to ensure that people are treated humanely.

I clearly owe the hon. Gentleman an apology. I thought that ensuring that he had the opportunity to be here on the first day of the SNP conference was a help to him, rather than a hindrance, because I have never had the sense that he was desperate to get there first. I thought that, as he did this year, he would enjoy being here on the first day of conference. Clearly we will have to look next year at whether we move his conference dates or do things otherwise.

Finally, I have some bad news for the hon. Gentleman. He has competition next year on the Eurovision front. As he may know, Members on the Government Benches are also recording some fine music. My hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) looks like being tough competition for him and the rest of MP4 when it comes to next year's Eurovision—may the best man or woman win.

**Mr James Gray (North Wiltshire) (Con):** It will not have escaped the notice of the Leader of the House that depending on how the business pans out today, particularly how long the Northern Ireland business takes, there is at least a reasonable likelihood that the important debate at the end of the day on the way in which our Acts of Parliament are recorded may be squeezed down to a very short time, or even squeezed out completely. Given the Government's support for the motion, which is supported also by 48 of my right hon. and hon. Friends, and historically by you, Mr Speaker, will the Leader of the House find Government time for a substantive debate on the matter, so that we can let the House of Lords know what we think about it?

**Chris Grayling:** I know how strongly my hon. Friend feels about the matter. The debate has been tabled on a Backbench day. It is appropriate for it to be a matter for the House, not debated in Government time which would otherwise be made available for legislation. As the Chair of the Backbench Business Committee is here today, I am sure that if my hon. Friend is not able to hold his debate today, an early opportunity will be found to bring the matter before the House.

**Mr Speaker:** I am sure that that will be the case.

**Ian Mearns (Gateshead) (Lab):** I am grateful to the Leader of the House for the announcement of the future business. With the date of state opening being announced as 18 May, may I remind the right hon. Gentleman that it is a Standing Order of the House that the Backbench Business Committee be awarded 27 days of Chamber time in a parliamentary Session? We are still some way short of that and we are expecting a glut of Backbench business in the five and a half weeks that remain after Easter and before the state opening. I add one personal rider: if we do get Mr Mike Ashley into this place, may we at the same time question him about the terrible running of Newcastle United football club? I do not want to diminish the importance of the employment practices of Sports Direct, but based on the management of Newcastle United, I am afraid I do not expect a very big party in a brewery any time soon.

**Chris Grayling:** It is tough being a Newcastle supporter at the moment. I wish the hon. Gentleman and his team well for the rest of the season. There is time to escape

the relegation zone and no doubt he will be cheering from the stands. I have no doubt that he will seek more time for Backbench business over the next few weeks. I am aware of what the Standing Orders say. I am not sure that we are quite in agreement on the numbers, but we will have a proper discussion about that. I hope he will note that in response to his request, we made protected time available for the debate on Tuesday. Where it is important to do so, we will look at doing that in the future.

**Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): On Saturday I joined Dartmoor search and rescue team and learned that 70% of calls to the service come from within the boundaries of Plymouth, many in Home Park, owing to elderly people getting lost. May we have a debate on how we might support those excellent volunteers, who get no money from central Government?

**Chris Grayling:** My hon. Friend makes an important point. I have suggested before at one of these sessions that the Backbench Business Committee might consider holding a full day debate, when one is available, on volunteering. A large number of Members would like to pay tribute to the good work done in their constituency. That would provide an opportunity for my hon. Friend to do what he has just described. I cannot resist drawing attention to the news story this week that a council in East Anglia has appointed the first hedgehog tsar. It is clear already that my hon. Friend's campaign is making a difference.

**Paula Sherriff** (Dewsbury) (Lab): Last week I was visited by retailers from Dewsbury town centre. They are facing unaffordable business rates in the coming year, due to the end of the business rates retail relief. May we have a debate in Government time to discuss whether the Government have plans to subsidise these retailers, many of whom would have to close their businesses as a result of the rises?

**Chris Grayling:** Of course, we are all concerned about the future of the high street. This is a matter that can certainly be brought up during the debate on the Budget next week. I do not yet know whether the Chancellor has any plans in that area, but the hon. Lady will want to make the case for her constituency in the four days of debate that follow the Budget, when this is very much one of the matters on the agenda.

**Mr Ian Liddell-Grainger** (Bridgwater and West Somerset) (Con): Today we are starting the consultation on the final designs for the barrage across the Parrett, which is the outcome of the terrible flooding in 2011. I know that the project has been supported across the House and I am very grateful for that. May we have time in this place to discuss it? It is massively important because 12% of my district council area was under water in 2011. The history and the lessons we are learning in the south and the north of the UK need to be reiterated. Is there time for a debate in the House?

**Chris Grayling:** I pay tribute to my hon. Friend, who has been a more than effective advocate for his constituency and for the parts of Somerset affected by flooding. Our hearts went out to all the communities affected last year.

I know that, since then, lessons have been learned and significant steps have been taken, as he has just described, to address the issue for the future. There will of course be an opportunity next Thursday to question the Environment Secretary, which I am sure he will do, but we all need to work to make sure that the terrible events of last year cannot happen again.

**Paul Flynn** (Newport West) (Lab): When can we discuss early-day motion 1182?

*[That this House believes that politicisation of the institution of monarchy threatens that institution's future; recalls that the present monarch remained politically neutral for 62 years until an intervention on the Scottish Referendum debate that The Guardian reported was crafted and choreographed by Sir Jeremy Heywood, the Cabinet Secretary, and Sir Christopher Geidt, the Queen's Private Secretary; notes that a recent speech by the Prince of Wales was widely interpreted as a plea for the UK to remain in the EU; emphasises that the prime role of the Head of State is to intervene when a Prime Minister acts in her or his own interests to the detriment of the interests of state; and further believes that the Government and the Civil Service should cease employing members of the Royal Family for political purposes.]*

The early-day motion does not trespass into the forbidden area—that the views of the monarch cannot be discussed in this place, and only in this place, although they can be discussed everywhere else—but it does raise the conduct of a well-documented conspiracy between Sir Jeremy Heywood and Sir Christopher Geidt at the time when the Scottish referendum appeared to be in trouble from the Government's point of view, and it is alleged that those two gentlemen conspired to put the Queen's opinion into the public domain.

Is not it important that we discuss those who give advice to the royal family, because its main function is to act in situations where a Prime Minister is acting in her or his own interests against the interests of the country? The politicisation of the monarchy would mean that it could not act in those situations, and any exposure of the royal family's views threatens the furtherance and continuation of the institution.

**Chris Grayling:** There are rather large numbers of conspiracy theories in this world. If we spent all our time in this House discussing them, we would not get round to the serious business that faces the nation, so I fear we will not actually be debating that particular issue.

**Mr Christopher Chope** (Christchurch) (Con): May I say to my right hon. Friend how pleased I am that the House will be sitting on 26 May, because that will be the seventh anniversary of the Prime Minister's famous speech on fixing broken politics, in which he called for more Back-Bench power, more free votes and less whipping? May we have a debate on that occasion to see how much progress has been made on implementing those principles?

**Chris Grayling:** I am sure we have learned in the past few days that independent spirit on the Back Benches is certainly not something that is lacking in this Parliament.

**Ms Margaret Ritchie** (South Down) (SDLP): This day week is St Patrick's day. Yesterday I tabled an early-day motion requesting that the Government bring

[Ms Margaret Ritchie]

forward legislative proposals—this is not a devolved matter—to make St Patrick’s day a public holiday in Northern Ireland. Will the Leader of the House facilitate a debate about this important issue?

**Chris Grayling:** Of course, this is a subject the hon. Lady feels strongly about. We always have to be careful about granting too many extra bank holidays because of the economic impact on the areas affected, but I am sure she will bring forward an Adjournment debate and bring a Minister to the House so that she can make the point she has raised this morning.

**Sir David Amess** (Southend West) (Con): Will my right hon. Friend find time for a debate on the practice of big businesses trying to prevent Members of Parliament from doing their democratic duty and raising constituents’ concerns in this place? Outrageously, National Express Group plc has written to Lord Feldman, the chairman of the Conservative party, complaining that I have been raising in this place my constituents’ anxiety over c2c timetable changes.

**Chris Grayling:** I suspect that National Express may need new political advisers, because the one thing we can be absolutely certain of is that writing a letter of complaint about my hon. Friend is likely to make him more rather than less zealous in pursuing issues on behalf of his constituents.

**Mr Speaker:** And rightly so.

**Dawn Butler** (Brent Central) (Lab): At 7 am the Competition and Markets Authority produced a report on its energy market investigation. I welcome that report, which focuses on prepayment meters—the issue is also dealt with under the hashtag PrePayRipOff. I have had an Adjournment debate, I have written to the Prime Minister and I have written to the Secretary of State for Energy and Climate Change, and the responses have been inadequate. Will the Leader of the House make available Government time so that the House can have an urgently needed proper discussion, to explore the CMA’s recommendation, which the Secretary of State said she will implement?

**Chris Grayling:** The Energy Secretary will be here in 10 days’ time, but if the hon. Lady wants to raise matters before that, I suggest that she writes and I will make the Energy Secretary aware that she is going to raise the issue.

**Huw Merriman** (Bexhill and Battle) (Con): In the first half of 2015, six cyclists were fatally injured in London following collisions with heavy goods vehicles. Could the Leader of the House find time in the parliamentary calendar for a debate on the costs and benefits of restricting HGVs from city centres at rush-hour times?

**Chris Grayling:** This is a deeply important matter. There have been far too many tragedies in recent times, some involving deaths and others serious injuries. The issue has been widely raised as a matter of concern, including by *The Times*, a member of whose staff was, tragically, seriously injured in an accident with an HGV.

We want to take all possible steps to improve the situation, and the Mayor of London in particular has taken a lead in trying to improve things. We will continue to look for ways to improve the situation and to discuss different ideas about how we can do so.

**Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): This week the Premier League made a very good announcement that all clubs will cap the cost of away tickets at £30, which will be a great relief to many football fans. However, a more pressing concern for fans, particularly Boro fans who will watch Boro play Charlton this Sunday, is the changing of fixture dates. That game was originally meant to be played on Saturday and fans were given only 17 days’ notice of the change. They had already made travel arrangements and booked hotels for Saturday, so a lot of them will now not be able to attend. May we have a debate about the effect on football fans of the dominance of TV contracts over fixtures?

**Chris Grayling:** TV coverage has enabled a much broader audience to watch matches and there are still substantial crowds at grounds around the country, but I absolutely understand the hon. Gentleman’s concern. I do not support the idea of last-minute changes that disrupt people’s plans, and I hope the football authorities will listen to what he says. I wish him and his team well for the last few weeks of the season. The interesting question is whether his team and that of the hon. Member for Gateshead (Ian Mearns) will play each other next season, and if so, in which division.

**Mark Pritchard** (The Wrekin) (Con): May we have a debate on the Rural Payments Agency? Does the Leader of the House share my concern that some small Shropshire farmers who were due to be paid under the basic payment scheme in December 2015 have still not been paid, which is causing real hardship?

**Chris Grayling:** My hon. Friend has raised this issue before and I understand how strongly he feels about it. Of course, small farmers in particular depend on these payments. It is not acceptable for them to be left in the position where their cash flows are unnecessarily and inappropriately stretched through Government failure. The Rural Payments Agency has made a range of payments—from less than £500 to more than £150,000—covering the full range of small, medium and large-sized farm businesses across all geographic regions and all sectors of the industry. The latest news is that some 80% of small farm businesses and 83% of medium farm businesses have received their payments, but the Secretary of State is well aware of the need to complete the job. We do not want farmers to be put under undue pressure. It is not acceptable for them to be left financially high and dry.

**Mrs Madeleine Moon** (Bridgend) (Lab): As chairman of the all-party kidney group, may I say welcome to World Kidney Day? Autosomal dominant polycystic kidney disease accounts for one in four kidney dialysis patients and kidney transplants. I know that the Leader of the House is allergic to anything to do with Brussels, but a Brussels declaration calls for a debate on the need for a national co-ordinated approach to polycystic disease, clear funding of research, patient-centred care pathways,

and information about, as well as access to, nephrologists, who are knowledgeable about polycystic kidney disease. May we have a debate on this urgent and important matter?

**Chris Grayling:** I absolutely understand the need to provide high-quality services for patients affected. That is one reason why we continue to push up the budgets for the national health service. The important thing is to take the right decisions in the right ways for patients in this country, and that is what this Government are doing through the investment in healthcare.

**Philip Davies (Shipley) (Con):** May we have a debate urgently on English votes for English laws? The farce yesterday, when we learned that the SNP stands for “Scottish, no principles” rather than anything else its Members claim, made it abundantly clear that we do not actually have English votes for English laws. May we have a debate, so that we can get this straightened out once and for all and deliver what the English public think is meant by English votes for English laws? In the meantime, may we have a policy whereby every time the SNP vote on an issue that is devolved to them in Holyrood but affects only England, we transfer those powers back from Holyrood to this Parliament, so that if SNP Members want to vote on these issues in Westminster, we deliver the decision for them?

**Chris Grayling:** My hon. Friend, as ever, has innovative ideas about how to deal with the situation. He is absolutely right to talk about principles and the SNP. We stood for election on a manifesto that stated that we would provide the English with the ability to say no to a measure being imposed on them by Members of Parliament from other parts of the United Kingdom. The SNP has argued all along that we should get rid of that reform, which we stood on and implemented, and yesterday we learned why. Not only does the SNP want to interfere in matters such as those that were discussed yesterday, but it clearly also wants to team up with the Labour party and impose on England solutions that the English do not want.

**Liz McInnes (Heywood and Middleton) (Lab):** Like my hon. Friend the Member for Dewsbury (Paula Sherriff), I have been approached by small businesses in my area regarding the Chancellor’s decision to end the business rate relief scheme for small businesses from April 2016. From next month, around 1,000 small shops in the borough of Rochdale will face extra bills of up to £1,500 a year. To many of those small shops, £1,500 is the difference between survival and going bust. May we please have an urgent debate in Government time on that important subject?

**Chris Grayling:** The answer to that question is yes, and that debate will start next Wednesday. The Labour party will have the chance to speak on those matters and to vote on them if they choose to do so.

**Mr David Burrowes (Enfield, Southgate) (Con):** Following yesterday’s deliberations on Sunday trading, may I congratulate the Government on the precedent they have set in the publication of the family test alongside new legislation, even though it was published too late, coming as it did just a few hours before Report? It helpfully

conceded the negative impact of the proposals on the family. Will the Leader of the House confirm that for all primary and secondary legislation, a family test will be published at the beginning, rather than at the end, of proceedings? In addition, will he inform us of what will happen if legislation does not pass the family test?

**Chris Grayling:** The purpose of impact assessments and things such as the family test is to enable the House to take an informed decision. Such tests are less a bar over which a measure needs to jump than a package of measures on which the House can form its decisions. The Government’s intention remains to keep the House as fully informed as possible so that it can take those decisions.

**Jim Shannon (Strangford) (DUP):** Last month I raised the case of Islam al-Beheiry, who was convicted in Egypt of contempt of religion under article 98 of the penal code and sentenced to five years in prison with hard labour. Only a few weeks ago, a teacher and four Christian schoolboys aged only 16 were sentenced to five years in an adult prison for making an obnoxious mock Daesh video. Will the Leader of the House agree to a statement on the steps that the Government are taking to stem the worrying rise in blasphemy and contempt of religion charges in Egypt, and on the efforts that are being made to call for clemency for the four Christian schoolboys, their teacher and Islam al-Beheiry?

**Chris Grayling:** As always, the hon. Gentleman is an important champion for members of the Christian faith, and I commend him for that. I do not know about the specific details of the case that he has raised, but I will make sure that the Government give him a proper response and that the relevant Minister is aware of the concerns that he has raised.

**Chris Davies (Brecon and Radnorshire) (Con):** Following astronaut Tim Peake’s inspirational call to pupils in Brecon and Radnorshire’s excellent high schools of Builth Wells, Gwernyfed, Brecon and Crickhowell last weekend, may we have a debate on promoting the sciences as an option to pupils, so that Britain can capitalise on pupils’ Peake-ing interest in science, and so that we can continue to lead the world in scientific research and development for generations to come?

**Chris Grayling:** My hon. Friend makes an important point. We celebrated the moment when Tim Peake went into space, but I think we should also celebrate the contribution that he has made since. We have had regular interactions with the international space station. He has talked about the work that he is doing, and he has talked to young people to inspire them about the potential of science. Long may that continue, and long may there be role models such as him to encourage people to create an exciting, innovative scientific future.

**Steven Paterson (Stirling) (SNP):** Contact the Elderly is a small national charity in Scotland, which aims to alleviate the loneliness felt by many older people who live alone by organising monthly afternoon tea get-togethers. I will be joining one on Sunday in Kippen in my constituency. Such community support initiatives are

[Steven Paterson]

excellent and inspiring. May we have a debate to discuss the range of such initiatives across the country, so that we can all learn from them?

**Chris Grayling:** As I said earlier, I very much support the idea of having such a debate, and there is a real opportunity to do so. In the past, we tended to have fixed times in the calendar to debate things such as veterans issues. Such debates are now in the gift of the Backbench Business Committee, which has a real opportunity to provide time for a debate to mark volunteering across the United Kingdom.

On the Backbench Business Committee, I forgot to say earlier that I hope it will give due consideration to providing at least part of the time available on the Thursday before the recess for a traditional pre-recess Adjournment debate.

**Jason McCartney** (Colne Valley) (Con): I join the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) in welcoming the Premier League's announcement on capping the price of football tickets for away matches next season. Is the Leader of the House aware that my team, Huddersfield Town, will offer a season ticket for just £179 next season, or £7.80 a game, which is great value in the championship? Will he allow time for a debate on the cost of football tickets, which is so important for fans across the country?

**Chris Grayling:** I absolutely applaud what Huddersfield Town are doing. The point about clubs such as Huddersfield Town is that they play such an important community role as well. I know Huddersfield Town are very involved in charitable activities across the town. I pay tribute to everyone at the club for ensuring that they play such a role in the community and for doing what they can to give fans the opportunity to go to see the team play on an affordable basis—and may it succeed on the pitch as a result.

**Kevin Brennan** (Cardiff West) (Lab): May I wish my daughter Siobhan a happy birthday next Tuesday? On the matter of Wales against England, I hope that the better team—not the “best” team—wins, and let it be Wales.

On EVEL, I have had an idea while sitting in the Chamber. Could we not use the Annunciator to have subtitles while we go through the EVEL procedure, which we did last night, so that Mr Deputy Speaker would not have the impossible task of explaining what in EVEL's name is going on?

**Chris Grayling:** I think that the process is fine. We will review it after 12 months. If the hon. Gentleman has ideas about how to improve it, I will be very happy to listen to him. What I will not do is reverse the gesture we have made to the English of saying, “You have a part of the devolution package as well.” I do not think a position under which the Scots, the Welsh and the Northern Irish can have devolution while the English are left out is remotely acceptable. We have no intention of going back on it.

**Richard Benyon** (Newbury) (Con): West Berkshire Council is a very well run authority, but it has been forced by a bizarre funding formula to do the very

un-Conservative thing of raising taxes and cutting services for people in need. Alongside that, there are the perverse actions of the Valuation Office Agency. At the click of a bureaucrat's button, it can wipe millions of pounds of business rates on large sites away from a small unitary authority. May we have a debate about the actions of the Valuation Office Agency to try to get some common sense on how small local authorities are funded?

**Chris Grayling:** My hon. Friend makes an important point. I will draw his concerns to the attention of my right hon. Friend the Secretary of State for Communities and Local Government. My hon. Friend may also wish to raise that matter in the Budget debate next week. As I said earlier, it is likely that the issue of business rates will be raised then.

**Greg Mulholland** (Leeds North West) (LD): On 2 December, the Prime Minister promised the House that he would make quarterly statements on the involvement of British military forces in Syria. There should therefore have been a statement by 2 March, but there has not been one. May we please have an urgent statement? When are we going to have the first of these vital quarterly updates?

**Chris Grayling:** The hon. Gentleman was clearly not in the Chamber last week, because I said that there would indeed be such a statement before the Easter recess.

**Mr David Nuttall** (Bury North) (Con): May I add my voice to the calls for a debate on having genuine English votes for English laws? Despite the recent reforms, yesterday proved that the votes of Scottish MPs can still stop my constituents enjoying the same freedoms that their constituents enjoy.

**Chris Grayling:** My hon. Friend makes an important point. We should remember that, when we debated English votes for English laws, the Scottish National party said, “You don't need this. When there is an England-only measure, we don't take part anyway.” Yesterday, we discovered that that promise was paper-thin.

**Christina Rees** (Neath) (Lab): On Tuesday, we celebrated International Women's Day with a superb debate in the Chamber. I pointed out the grave inequality that only fathers' names, not mothers' names, appear on marriage certificates. The Prime Minister agrees that mothers' names should be added, but does not have legislative time to do so. I have a nifty little private Member's Bill to add mothers' names to marriage certificates at little cost, which is up for its Second Reading again tomorrow. May I urge the Government to adopt my Bill or to give it the heave-ho into Committee, where they can amend it, or please can we have a debate in Government time?

**Chris Grayling:** I am afraid that the hon. Lady is running into a long queue at the end of the Session for private Member's Bills, but the Government's commitment stands.

**Nigel Huddleston** (Mid Worcestershire) (Con): This week is English Tourism week, so will my right hon. Friend find time for a debate on the important contribution made by tourism to the UK economy? A record 35.8 million

visitors came to the UK last year, but we need to get people outside London and visiting other areas of the country such as Worcestershire, where perhaps they could visit the Fleece Inn, which this week was named pub of the year.

**Chris Grayling:** We absolutely want more tourism in Worcestershire, and although hon. Members will spend much of the recess hard at work in their constituencies, I hope there will be a moment for them to pay a visit to Worcestershire and take advantage of the fine hospitality that they will find. I am sure my hon. Friend would be delighted for the whole House to visit.

**Vicky Foxcroft** (Lewisham, Deptford) (Lab): The Leader of the House will know that I have been calling for support across the House to address the root causes of serious youth violence. We had a Backbench Business Committee debate on that issue last week, and earlier this week the Justice Secretary confirmed that he will report back to the House on progress made by his Department. Will the Leader of the House explain how that will happen, and when we can expect that report?

**Chris Grayling:** My right hon. Friend the Justice Secretary has these matters under review all the time, and we have already taken tangible steps and made significant changes to the laws on knife crime. The Home Office has been doing significant work to try to break up gangs, and the Justice Secretary comes before the House regularly and will provide regular updates on his work.

**Henry Smith** (Crawley) (Con): May we have a debate on the importance of raising the profile of dyslexia teacher training, which many people are concerned is not getting the focus that it needs?

**Chris Grayling:** My hon. Friend makes an important point. Many young people who struggle at school do so because they are dyslexic. I have already discussed that with the Secretary of State, who assures me that part of the training module for teachers now contains work to help them to build an understanding of dyslexia. My hon. Friend will no doubt continue to ask questions on that subject, and ensure that we do whatever we can to enhance that work to help those young people.

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): I am sure that the Leader of the House will join me in welcoming the Government's two other defeats last night in the other place on the Immigration Bill. Will he encourage the Immigration Minister to confirm in a statement whether the Government will use last night's vote as motivation to start treating asylum seekers with the respect and dignity that they deserve?

**Chris Grayling:** That is a first—I cannot remember the last time that I heard the Scottish National party praise what has happened in the House of Lords. I think that our record of treating asylum seekers bears comparison with any in the world, and I will not hear anybody say otherwise.

**Richard Drax** (South Dorset) (Con): May I congratulate my right hon. Friend on his excellent contribution on Radio 4, and his excellent speech? May we have a speech

in Government time on the merits of leaving the EU, which I suggest be entitled "Project Hope"?

**Chris Grayling:** My hon. Friend tempts me, but he must bear in mind that the Government's formal position is to recommend that Britain stays in the European Union. We will, of course, have lively debates in the House and the country about what should happen, and in June the British people will decide.

**Barry Gardiner** (Brent North) (Lab): The Leader of the House will be aware that, three days ago, the Institutional Investors Group on Climate Change, which represents £13 trillion of assets under management, wrote to the Chancellor to press for regulation to ensure mandatory corporate disclosure of climate risks. May we have a debate in Government time on the mandatory reporting of climate risks, so that there is transparency about the financial health of our corporate sector, and so that the confidence of such an enormous body of investment funds can be increased?

**Chris Grayling:** The hon. Gentleman is another person for us to wish a happy birthday. This country is at the leading edge of combating climate change, and we have adopted targets that stand comparison with any in the world. However, there is a point at which simply putting additional reporting requirements endlessly on to business leads to us having fewer jobs in the country, rather than more, and that is not something I support.

**Alex Chalk** (Cheltenham) (Con): Last year, £10 million of funding for essential upgrades to Cheltenham Spa railway station was announced. As tens of thousands of people arrive in Cheltenham for the superb jump racing festival, we are reminded how necessary those upgrades are. May we have a debate on the delivery of railway station funding pledges, to establish what more can be done to get work started?

**Chris Grayling:** We have just missed Transport questions, which took place earlier this morning, but I am sure my hon. Friend will be able to secure an Adjournment debate to press that issue if he wishes to do so. May I wish him and his constituents well for what is one of the best racing events in the country, although it is perhaps not quite as good as the Epsom Derby.

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): Tomorrow, I will be visiting my constituent Walter Brown from Dukinfield, who is 90 years of age and has just been awarded the Légion d'honneur by the Government of France in recognition of his role in the liberation of France in 1944 as a Royal Marine Commando. We are supposed to request a debate in this part of our proceedings, so may I simply request a debate on what a privilege it is to represent somebody such as Walter Brown in the House of Commons? May I also request that the whole House puts on the record its thanks and congratulations to him?

**Chris Grayling:** I absolutely agree with what the hon. Gentleman says; I have a gentleman in my constituency who is in the same position, and it is a real tribute to the Government of France that they have seen fit to honour in this way a group of people who risked their lives to try to save France from the Nazis and did so successfully.

[Chris Grayling]

We should always remember them and be grateful to them, and I am very glad the French have recognised that.

**Bob Blackman** (Harrow East) (Con): You will be aware, Mr Speaker, that on previous occasions I have raised the issue of hundreds of casual labourers congregating outside B&Q in Queensbury, on the border between my constituency and that of the hon. Member for Brent North (Barry Gardiner). I am pleased to say that Harrow Council and Brent Council have introduced a public space protection order, under which anyone who picks up those casual labourers will be liable for a fixed rate penalty of £100. Can we find time to debate the matter in this House, because we find this problem across the country and public space protection orders could be put in place to stop that unauthorised activity?

**Chris Grayling:** That is an important issue. The Business Secretary will be here on Tuesday and I will ask him to be prepared to address it then. All too often, the people who are to be found looking for work in these places are operating within a gangmaster culture that is below the radar and not within the legal framework of work in this country, and it is likely that they are being exploited.

**Peter Kyle** (Hove) (Lab): Last year, Sir Nicholas Macpherson said that he would not hesitate to call in the police if the Budget were leaked. Should any stories about this year's Budget appear in the papers this weekend, will the Leader of the House join this most senior of officials in calling for the police to investigate, and will he give time for this House to debate it?

**Chris Grayling:** I am sure that, if the civil service and the permanent secretary at the Treasury think anything untoward and illegal has been done, he will take appropriate action.

**Andrew Stephenson** (Pendle) (Con): Last Saturday, I joined hundreds of residents at the only municipal golf course in Pendle, Marsden Park, to protest against plans by Pendle Borough Council to close the facility. The Labour and Lib Dem-run council claims that shutting the course would save £50,000 a year and blames cuts in central Government funding. However, in the same month the council voted through that cut, it spent an estimated £300,000 buying the former—now unused—Colne health centre, which needs a further few hundred thousand pounds spending on it. The council has admitted that it has no plans for what to do with it. May we have a debate on the shocking mismanagement by my local council?

**Chris Grayling:** As ever, my hon. Friend is a very articulate representative of his constituents and a very appropriate critic of his local Labour council. The truth is that around the country, where difficult decisions are having to be taken by councils, one finds Conservative ones taking a thoughtful approach and finding new ways of delivering services well, while Labour councils are taking dumb decisions such as the one he has just mentioned.

**Justin Madders** (Ellesmere Port and Neston) (Lab): As my hon. Friends the Members for Dewsbury (Paula Sherriff) and for Heywood and Middleton (Liz McInnes)

have mentioned, the Chancellor's decision on retail rate relief is causing great consternation, with small businesses now having to find an extra £1,500 a year. In the Cheshire West and Chester area alone, some 1,472 businesses will have to find an extra £1.8 million next year. Given the Chancellor's warnings of impending storm clouds, can the Leader of the House assure us that there will be sufficient time over the next few weeks to debate whether this is really the right time to start clobbering small businesses with more taxes?

**Chris Grayling:** I can absolutely assure the hon. Gentleman that time will be available, because there will be four days for the post-Budget debate. He talks about clobbering businesses. I just remind him that for 13 years businesses suffered at the hands of a Government who did not understand them and regulated in a way that caused them deep problems, halving our manufacturing sector.

**Tom Pursglove** (Corby) (Con): Ministers have been very willing to engage on the steel issue, but, in advance of the Budget next week, will there be an opportunity to put the case for a business rates holiday for the industry to the Chancellor on the Floor of the House?

**Chris Grayling:** There will be an opportunity to put that to the Chancellor. However, the Business Secretary, who has been working very closely with the steel industry, will be here on Tuesday. I suggest my hon. Friend raises that point with him then. I will make sure his concerns are drawn to the attention of both Departments today.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): I apologise for leaving the Chamber earlier on, Mr Speaker. It was somewhat ironic when I came back. I am now the only SNP Member who has actually got a cheer from Conservative Members in the past two days.

Will the Leader of the House make a statement outlining why his title is not a complete misnomer? The Enterprise Bill was farcical from almost start to finish. On Second Reading, the House was asked to vote on amendments that had not been seen. The Government took an assumed view on the SNP position, which we now know was wrong. A late manuscript amendment was tabled but not taken. Then the Government Minister pleaded with the House to vote with him, because he was not going to implement what was in the Bill. As I say, it was a farce from start to finish. May we have a statement outlining when leadership was shown by the Leader of the House and the Government?

**Chris Grayling:** I am sorry, but the only farce around here is the approach the SNP has taken to all of this. SNP Members did not vote against the measure in Committee, but then decided to vote against it later. They tell us that that was for reasons of principle, but we know it was for reasons of opportunism.

**Mr Stewart Jackson** (Peterborough) (Con): May we have a debate on openness and transparency in the disbursement of EU funds to local government? My right hon. Friend may know that this week we had a serious outbreak of Stockholm syndrome in the east of England, as eight local authority leaders backed the EU remain campaign in the pages of the *Eastern Daily Press*. Is it not important that voters know what level of funding,

from all forms of the European Union, has induced this self-interested plea to hand more powers and money to Brussels?

**Chris Grayling:** In this country, we have well-established principles of transparency in our political system. In the coming months it will be important that people who have a financial link to the European Union, whichever side of the argument they may be on, make that clear as they make their arguments.

## Apprenticeships

11.57 am

**The Minister for Skills (Nick Boles):** With permission Mr Speaker, I would like to make a statement about apprenticeships. As you know, Mr Speaker, I am evangelical about apprenticeships. We do not always agree with each other on every question, but I know that to a woman and to a man, all my right hon. and hon. Friends share this passion.

We believe in apprenticeships, because they are one of most powerful motors of social mobility and productivity growth. An apprenticeship represents opportunity, aspiration, ambition—things that we Conservatives cherish. Apprenticeships make our companies more competitive. Some 70% of employers report that apprentices help to improve the quality of their product or service. They offer people a ladder to climb, with both higher pay and a sense of personal fulfilment at the end of it. A level 2 apprenticeship raises people's incomes by an average of 11% three to five years later. A level 3 apprenticeship delivers a 16% boost.

Apprenticeships improve the diversity of the workplace: 53% of the people starting an apprenticeship in 2014-15 were women; 10.6% were from a black or other minority ethnic background, up from 8% in 2009-10; and 8.8% had a disability or learning difficulty. An apprenticeship can take you anywhere. Sir Alex Ferguson did one. So did Jamie Oliver. And Karen Millen. And Sir Ian McKellen. So, too, did the chairmen of great businesses such as Crossrail, WS Atkins and Fujitsu.

The Government have great ambitions for our apprenticeships programme. In the previous Parliament, 2.4 million people started an apprenticeship; by 2020, we want a further 3 million to have that opportunity. We do not just want to see more apprenticeships; we want better apprenticeships in more sectors, covering more roles. The first thing we need to do is persuade more employers to offer apprenticeships. At the moment, only about 15% of employers in England do. In Germany, the figure is 24% and in Australia 30%.

We are therefore introducing a new apprenticeship levy that will be paid by all larger employers—those with an annual payroll bill of £3 million or more. This will help us to increase our spending on apprenticeships in England from £1.5 billion last year to £2.5 billion in 2019-20. Employers who pay the levy will see the money they have paid for English apprenticeships appear in their digital account. They will be able to spend it on apprenticeship training—but only on apprenticeship training—and as my right hon. Friend the Chancellor has emphasised, employers will be able to get out more than they put in.

We are also making sure the public sector pulls its weight and follows the fantastic example of our armed forces, which, between them, employ 20,000 apprentices at any one time. We plan to introduce a new target for public sector organisations employing over 250 people in England. They will be expected to ensure that at least 2.3% of their staff are apprentices. We are using the Government's power as a customer too. Procurement rules now stipulate that bidders for central Government contracts worth more than £10 million and lasting over 12 months must demonstrate their commitment to apprentices.

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We are not only committed to greater quantity; we want to see better quality too. We have already stopped the short-term, low-quality, programme-led apprenticeships developed by the last Labour Government. They made a mockery of the concept and tarnished the brand. We are now asking groups of employers to develop new apprenticeship standards that will help them fill the skills needs created by new jobs and new industries. Some 1,300 employers are involved in this process, and we have published 210 new standards so far. A further 150 are in development. We are also establishing a new employer-led institute for apprenticeships to approve these new standards and ensure that quality is maintained.

Sixty of these new standards are higher and degree apprenticeships. We want everyone making a choice about their next steps after the age of 16 or 18 to know that the decision to do an apprenticeship is not a decision to cap their ambition or turn down the chance of a degree. It is simply a decision to progress in a different way—to learn while they earn and to take a bit more time, to bring home a wage and avoid large student loans. Next week is National Apprenticeship Week. I hope that the House of Commons will today speak with one voice. Apprenticeships are for everyone and can take you anywhere. I commend this statement to the House.

**Mr Gordon Marsden** (Blackpool South) (Lab): I thank the Minister for limited advance sight of the statement. I suppose we should all be grateful, after the turmoil of yesterday, that it did not just turn up in manuscript.

What has turned up—if I can put it this way—is a dance of the seven veils. The Minister's statement is simply a rehash of much of what was already said in the "English Apprenticeships" document. That is what concerns the sector: fine words butter no parsnips. The procurement rules he mentions are a pale shadow of what Labour proposed in its 2010 manifesto. Most crucially, there is no further clarity for universities, other areas and large employers about what their responsibilities will be. They want to know whether the levy will be extra money or a substitute for Government funding. Will it be extra resources or simply an Osborne payroll tax?

Will the Minister confirm how much he expects the levy to raise, and whether it will be more or less than the £1 billion he said he hoped to add to spending on apprenticeships in England? The Department was supposed to respond to the consultation on the targets for apprenticeships in public sector bodies by 4 March. Has it done so? When will he do so? There is confusion and concern among local government and others about who will be affected. Will he spell out in far greater detail how small and medium-sized enterprises will benefit from the process, and what does he have to say to the Chartered Institute of Taxation, which worries that smaller businesses will be unable to use their full £15,000 allowance?

The Minister has told us that he is evangelical about apprenticeships, but Members and the business sector want to know whether he will be too catholic in the definition. Perhaps he should avoid tarnishing his own brand by cheap politicking about the Labour Government, who set up both National Apprenticeship Week and

the National Apprenticeship Service, and stop sounding like some old Soviet five-year planner on his tractor targets.

With concerns about the quality of these apprenticeships, will the Minister tell us who will supervise the operation of the apprenticeships levy? Will it be the Apprenticeships Delivery Board or the board of the institute for apprenticeships? What has he to say to the Chair of the Business, Innovation and Skills Committee, my hon. Friend the Member for Hartlepool (Mr Wright), who, I am told, said this morning, "No one knows what the apprenticeship levy is going to look like. It's coming in in a vacuum of darkness, and I am concerned that it's just a numbers game."

What will the Minister tell the Public Accounts Committee, which is so concerned about the direction of his Department that it has recalled the Secretary of State and the permanent secretary for a second grilling before Easter? Finally, perhaps he would like to tell us how he expects to deliver the 3 million target and implement the levy over a very short period with the number of Skills Funding Agency staffing down by 40% since 2011, more cuts to come and an accelerated decline in the number of people in the National Apprenticeship Service?

**Nick Boles:** It is amusing to be accused in a relatively short statement from the hon. Gentleman of being a Catholic, a Soviet planner and a dancer with seven veils. I will want to put that in my epitaph.

I will try to answer the hon. Gentleman's questions. First, to be clear, in the last year of the last Labour Government, public spending on apprenticeship training was £1 billion. It is now £1.5 billion. By the end of this Parliament, it will be £2.5 billion in England. That is extra money in anyone's book. Not a single education budget or, indeed, other public service budget is increasing as fast.

The apprenticeship levy will raise £3 billion in 2019-20, and £500 million will be needed to make adequate and fair contributions to the Scottish Government, the Welsh Government and the Northern Ireland Executive to fund, I hope, their apprenticeship programmes, but that is, of course, for them to judge. All the remaining £2.5 billion will be spent on English apprenticeships.

The hon. Gentleman asks how small and medium-sized businesses, which will not pay the levy, will nevertheless benefit from Government funding for apprenticeships. We expect them to carry on receiving Government money for apprenticeships in the same way as they do now. We do not expect all companies that pay the levy to use up all the money in their digital accounts, and there will be a great deal more money to go around, so we are absolutely determined that the level of apprenticeships provided by SMEs will continue as now.

The operation of the levy as a tax is obviously in the hands of Her Majesty's Revenue and Customs. The operation of the digital system used to give employers control of the apprenticeship levy that they have contributed will be the Skills Funding Agency's responsibility. The institute for apprenticeships will, as I have described, have complete responsibility for overseeing standards and quality control.

The hon. Gentleman and, indeed, the Chair of the Business, Innovation and Skills Committee—I look forward to hearing from him, no doubt—would like answers to many more questions. They will have to wait just a little. The Chancellor will make his Budget statement next week, after which more technical details will be provided, so that everyone knows well in advance how the levy will work.

**Wendy Morton** (Aldridge-Brownhills) (Con): I welcome the Minister's statement today. Since the election, more than 4,000 apprenticeships have been created in my constituency, Aldridge-Brownhills. Will the Minister join me, particularly in the run-up to National Apprenticeship Week, in thanking all the businesses, organisations and our local colleges that have helped to deliver those apprenticeships? Will he assure me that we will continue to ensure that the public sector plays a greater role in giving new opportunities to young people and women?

**Nick Boles:** It is excellent news to hear how many apprenticeships have been created in my hon. Friend's constituency. She is right that the public sector to date has not been pulling its weight—its proportion of apprentices is not the same as that among employees as a whole—so we will impose the target on larger public sector employers. Public sector organisations will discover what private sector ones know: apprentices help them to do a better job.

**Ronnie Cowan** (Inverclyde) (SNP): I thank the Minister for an advance copy of his statement. I am a little surprised at the timing, given that apprenticeship week in Scotland was last week rather than next week, so it would have been beneficial for us to have the statement then. The Scottish Government have recognised the importance of apprenticeships for some time. Indeed, the Scottish Government are committed to creating 25,000 modern apprenticeships a year, which encompasses 80 different types of modern apprenticeships.

With that in mind, I would be interested to hear what consultation has taken place with the Scottish Government on this important issue. I do not doubt the Minister's good intentions to create apprenticeships—we should all welcome that—but I question the method used to raise the money and its sustainability. The introduction of an apprenticeship levy remains a matter of fundamental concern for us. It encroaches on our devolved responsibilities and is causing concern for employers; it has also come under criticism from a wide number of organisations, including the CBI and the Chartered Institute of Taxation. The levy will have a knock-on effect for apprenticeships in Scotland, so we call on the UK Government to consider the economic impact that this measure will have.

I would like the Minister to reflect on the fact that Police Scotland will have to pay out up to £4.5 million a year on the UK Government's plans for an apprenticeship levy, prompting warnings that finding extra cash savings will be "virtually impossible". The UK Government have still to provide clarity on how Scotland's share of the levy raised will be calculated and transferred to the Scottish Government. When will we get that clarity from the UK Government?

**Nick Boles:** It is, of course, great news to hear about the Scottish Government's commitment to apprenticeships. Because they will now receive substantial extra revenue from their share of the revenue raised by the apprenticeship levy, I hope they will be able to increase from 25,000 apprenticeships a year to a rate that is more equivalent to the one that we have an ambition for in England. The hon. Gentleman mentions the problems faced by Police Scotland. On the whole, it would be fair to say that the level of the apprenticeship levy is not the greatest problem facing Police Scotland.

**Richard Drax** (South Dorset) (Con): I thank my hon. Friend for agreeing to come down to Weymouth shortly to open our third apprenticeship fair at Weymouth College. The new principal, Nigel Evans, has just been appointed, and I greatly look forward to seeing him. May I add one slight note of caution? As a Conservative, I do not like levies—instinctively—so let us call it a tax. Has the Minister had any response from big business about its fears for the future if, heaven forbid, a socialist Government ever took over, because this could be an area of taxation that they might want to increase for other reasons?

**Nick Boles:** Any excuse to go to Weymouth—and I am your man, Madam Deputy Speaker. I am grateful to my hon. Friend for inviting me. Like him, I feel an innate scepticism about a new levy on business, but if we talk to large businesses, particularly the ones that are investing in apprenticeships, we find that they say that some of their competitors do not, which restrains the overall level of investment in apprenticeships, because some are taking a free ride on the rest. We are introducing this levy to ensure that all large employers are making this investment, but we are giving them control of the money, so that they can spend it on the apprenticeships that benefit them. If we have to have a new levy—I agree that we should do so only as a last resort—it is best to have one that employers control and from which they can benefit.

**Mr Iain Wright** (Hartlepool) (Lab): It is always nice to see the Minister and it is always welcome to discuss apprenticeships in this place. The Enterprise Bill mentions the public sector apprenticeship targets. Given that we discussed that Bill both yesterday and the day before, why was not the public sector apprenticeship target mentioned then? Will there be a need for new legislation? The statement referred to the need to persuade more employers to offer apprenticeships, and the levy will be the means by which this happens. Will the Minister provide more information—any information—about the 98% of employers who will not pay the levy? In a previous response, he seemed to suggest that nothing would change or that large employers would somehow benevolently give away this levy receipt. Clarity is crucial for the success of the 3 million apprenticeship target. Will he provide more clarity, and if not, what is the point of his statement?

**Nick Boles:** First, I am grateful to the hon. Gentleman for returning to the subject of the public sector target, because it gives me an opportunity to respond to one of the questions asked by the hon. Member for Blackpool South (Mr Marsden). It was not the case that we were due to respond to the consultation on the public sector

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target by 4 March; rather, it was that the consultation closed on 4 March. The hon. Gentleman will understand that it takes more than six days to go through all the consultation responses and decide on our response.

We do not need legislation—I mean primary legislation—to create that target, which is why it was not necessary to include provisions in the Enterprise Bill. I understand the hon. Gentleman’s impatience—to some extent I share it—to get the details on how exactly the levy will work and the new digital accounts system will work as it goes out to all employers. I can assure him that more than 12 months’ notice will be given to everyone. We will publish very soon, but he will be aware that there is a Budget next week and he will also know that it would be a career-limiting move for me to anticipate the Chancellor in his Budget statement.

**Chloe Smith** (Norwich North) (Con): The Prime Minister came to my constituency last August to launch the consultation on the apprenticeship levy. I would like to support the Minister in looking to increase quality by asking employers to make their own choices through the Digital Apprenticeship Service. Will he update us on progress towards making that system ready?

**Nick Boles:** Yes, and this provides an opportunity to put on record my thanks to my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi), who is unfortunately not able to be with us today, but who is the Prime Minister’s adviser on apprenticeships. He has a great deal of experience in business of leading major technology projects. He has been immensely helpful in working with the Skills Funding Agency and officials in my Department to create a system that will be simple and user-friendly for businesses, providing them with absolute transparency over how much money they have contributed and what they can spend it on. This will also enable training providers to continue to take responsibility for ensuring that the training they have promised to deliver is in fact delivered.

**Andrew Gwynne** (Denton and Reddish) (Lab): As the Member responsible for the Apprenticeships and Skills (Public Procurement Contracts) Bill in 2013, let me welcome the Government’s conversion to using the benefits of public procurement to secure additional apprenticeships. I note that it was Conservative Back-Bench Members who talked out my Bill when it was going through the House of Commons. The Minister said in his statement that the public procurement rules now stipulate that bidders for Government contracts must demonstrate their “commitment to apprenticeships”. Precisely what does that mean?

**Nick Boles:** I would like to pay tribute to the hon. Gentleman’s leadership on this issue. Sometimes Government Members take a while to be persuaded of the merits of an intervention, but once persuaded, we are absolutely determined to fulfil it. The hon. Gentleman is right to ask about the mechanics. We have been advised—not least by Terry Morgan, the chairman of Crossrail, who led the way by instituting a similar sort of expectation for all subcontractors to Crossrail—that given the variety of public procurement such as

infrastructure projects and services, it was dangerous to impose a single mechanism of either a number of apprentices per £1 million-worth of spend or a percentage of employers on a project. We thus decided to mix and match to make the right requirement depending on what the procurement process is. We will be transparent about how we are going to achieve that.

**Jack Lopresti** (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on his statement and I agree with him. I, too, am an evangelical supporter of apprenticeships. We in the office have an apprentice, young Jake Carruthers, who is doing an amazing job. Does my hon. Friend agree that apprenticeships perform a valuable role in protecting our country, not only in maintaining and enhancing our sovereign defence capability, but through the large number offered throughout the armed forces?

**Nick Boles:** The armed forces really are leading the way on this, and they have done so for a very long time. I would like to put on record my thanks to my right hon. Friend the Secretary of State for Defence, who takes a particularly keen interest. The armed forces are confident that, between them, they will be able to create 100,000 apprenticeships in the life of this Parliament, contributing massively to our target. As so often, where the armed forces lead, we should follow.

**Stephen Timms** (East Ham) (Lab): The Minister should have the grace to acknowledge that it was a Labour Government that saved apprenticeships from the oblivion to which his party’s previous Governments had consigned them. Apprenticeships are certainly an example of the kind of intervention whose value his party has been slow to acknowledge, and I am glad that he is now doing that. He will be aware of the concern among employers that his 3 million target will be achieved only if the quality of what is on offer is reduced further. Can he give the House some reassurance on that point?

**Nick Boles:** I am happy to place it on record that it was, mainly, Lord Mandelson who reintroduced the idea of modern apprenticeships, but I will not shy away from pointing out that some of Labour’s policy measures led to programme-led apprenticeships in which the apprentice did not need to have an employer and which lasted only a few months. That rather undermined the quality and the brand of the programme, but we have got rid of those apprenticeships. We have now introduced some simple minimum standards. An apprenticeship must be a job: the apprentice must have an employer. It must last for at least 12 months, and it must have at least 20% off-the-job training content. That is why in some categories we had a short-term dip in the number of apprenticeship starts at the beginning of the last Parliament: we were getting rid of some of the slightly Mickey Mouse apprenticeships that had been on offer.

**Mr David Nuttall** (Bury North) (Con): When will the Institute for Apprenticeships be up and running, and will it have a role in resolving any problems that might arise with apprenticeships?

**Nick Boles:** The Institute for Apprenticeships will come into being in a kind of shadow form this spring, after which it will have 12 months to start taking over its

responsibilities before formally taking over in April 2017. Specific complaints about training provision, which sometimes occur, will continue to be dealt with in part by Ofsted through its inspections and in part by the Skills Funding Agency, which will manage the relationship with training providers. However, broader complaints about employers or particular apprenticeship standards will indeed be the responsibility of the Institute for Apprenticeships.

**Jim Shannon** (Strangford) (DUP): Last month, it was announced that 1,080 jobs were to be lost at Bombardier and that its three-year modern apprenticeship programme would suffer as a result. That programme involves a level 3 NVQ and it is one of the most impressive apprenticeship schemes in Northern Ireland, if not in the whole of the United Kingdom. The Minister has indicated that some money has been set aside. Can he tell me what discussions he has had with his Northern Ireland counterpart on establishing some kind of co-operation between Northern Ireland and the mainland UK on apprenticeships in the engineering and manufacturing sectors?

**Nick Boles:** This is a devolved matter, as the hon. Gentleman knows, but I am happy to reassure him that I have had meetings with the Ministers responsible for apprenticeships in all the devolved Administrations. We have made a commitment to meet every six months to talk through the issues, to learn from each other what works and what does not work, and to ensure that the introduction of the levy actually boosts apprenticeship activity in all parts of the United Kingdom, not just in England.

**Henry Smith** (Crawley) (Con): I commend my hon. Friend for his statement. Last Friday, I was pleased to host an apprenticeship and jobs fair in my constituency. Will my hon. Friend join me in thanking employers based in Crawley, including Virgin Atlantic, CGG and B&CE the People's Pension, for sponsoring the apprenticeship fair and for all that they do in this sector?

**Nick Boles:** I am delighted to do that, not least because the employers that my hon. Friend has mentioned demonstrate that apprenticeships are no longer narrowly confined to the traditional industries of construction or engineering. People can be apprentice lawyers, apprentice accountants or apprentice digital creators. Some day, they will probably even be able to be apprentice politicians.

**Dr Roberta Blackman-Woods** (City of Durham) (Lab): The Minister will know that 96% of apprenticeships are delivered at levels 2 and 3. Clearly it is very good that young people and others are getting those qualifications, but is he confident that enough apprenticeship opportunities exist at level 4 and above, to provide clear apprenticeship progression routes for the young people who want them?

Also, I want briefly to point out to the Minister, whom I have some time for, that a lot of us on this side of the Chamber—not least my hon. Friends the Members for Blackpool South (Mr Marsden) and for Hartlepool (Mr Wright), who is now the Chair of the Select Committee—worked very hard under the previous Labour Government to rescue apprenticeships from oblivion. We created some very good quality

apprenticeships, which the Minister can now build on, so perhaps it would be better not to make this a party political issue.

**Nick Boles:** Funnily enough, I was an apprentice politician to the hon. Lady when she was the Planning Minister and I was shadowing her. I learned a great deal in the process. She is right to say that there are currently too few higher and degree apprenticeships; we would like to see many more of them. We are making reasonably good progress, however. There were 19,800 starts on higher apprenticeships in 2014-15, which was 115% up on the previous year. Degree apprenticeships are a relatively new concept, but we are making progress and more than 1,000 people have now started such apprenticeships. We have much further to go, and there will always be more level 2 and 3 apprenticeships, but we want everyone who is doing those apprenticeships to be able to look up and see the higher and degree apprenticeships that they could move on to. I am happy to pay tribute to the hon. Lady's role, and that of the Chairman of the Select Committee and the hon. Member for Blackpool South (Mr Marsden) in reviving the idea and the practice of apprenticeships.

**Martin Vickers** (Cleethorpes) (Con): I thank the Minister for meeting me and colleagues from the Humber region, along with my hon. Friend the Minister of State, Department of Energy and Climate Change, to discuss the establishment of a national wind college in the region. Will he reaffirm the Government's commitment to giving our young people in the region the maximum opportunities to take advantage of the jobs that are being created in the offshore wind sector?

**Nick Boles:** Absolutely. One of the reasons that we have established the national college programme is to have colleges that can teach the higher and degree apprenticeships, in particular, for which we are so ambitious. The only reason that there is not already a national college for wind energy in my hon. Friend's region is that the partners were not quite ready, but we are very happy to work with them on bringing a proposal to the Chancellor once they are ready.

**Tom Brake** (Carshalton and Wallington) (LD): I should like to start by paying tribute to my apprentice, Callum Morton. If the Minister is doling out praise for those who have contributed to apprenticeships, I hope that he will add Vince Cable to the list, because he played a fantastic role in government. This Government have decided to include in the definition of payroll the bonuses paid to employee owners, although dividend payments to shareholders are not covered. Will this mean that companies such as John Lewis and other employee-owned companies will end up paying more in the levy? If that is the case, will it not act as a disincentive to that model of enterprise?

**Nick Boles:** I am happy to pay tribute to the work of the former Secretary of State, with whom I worked. He managed to increase the budget for apprenticeship training at a time when most other budgets were not increasing, and that was an admirable feat. I can give the right hon. Gentleman a general answer to his specific question, but I do not want to tread on the territory of Her Majesty's Revenue and Customs so I will write to him

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with further details. The general answer is that the levy will be applied to all PAYE pay, but I will get a further answer to him, either from me or from an HMRC Minister.

**Kelly Tolhurst** (Rochester and Strood) (Con): I welcome the Minister's statement this morning. I am a big fan of apprenticeships and I am extremely proud of the fact that in Rochester and Strood we have produced 7,410 apprenticeships since 2010, the fourth highest figure in the south-east. This week, I was at MidKent College, which has had more than 100 new engagements with employers since last September. Can the Minister assure me that the Government will continue to work with our colleges, especially in places such as Rochester and Strood, to ensure that we have the correct provision in place and that we continue to develop it in order to keep up with the demand in constituencies such as mine?

**Nick Boles:** My hon. Friend makes a very good point. I had a meeting with college leaders just the other day. At the moment, colleges secure only one third of the money that is spent on apprenticeship training. As we have heard, that money is going to increase substantially. I have challenged college leaders on this and I will do everything in my power to help them to secure two thirds of that funding, because a great further education college can be the heart of a community that is investing in young people and local employers.

**David Simpson** (Upper Bann) (DUP): I welcome the statement from the Minister. We need to encourage companies to take on more apprentices. I am sure that he will welcome the fact that the further education colleges in my constituency are moving to a level 3 apprenticeship right through to diploma level, which is very welcome. Will the Minister tell us just how often his Department meets business and FE colleges to encourage more apprenticeships across the UK?

**Nick Boles:** Obviously I meet English business, employers and colleges a great deal, but many of those employers are also employers elsewhere in the United Kingdom and want to be able to have integrated apprenticeship programmes, so it is extremely important—I give a commitment to the hon. Gentleman about this—that I work with the devolved Administrations to ensure that apprenticeship standards are recognised in all parts of the UK and that we learn from each other.

**Rishi Sunak** (Richmond (Yorks)) (Con): I welcome the Minister's clear passion for using apprenticeships to spread opportunity and to raise aspiration in our nation. Tomorrow I am attending an event hosted by the ancient company of fellmongers. Will he join me in commending the fellmongers for returning to their medieval roots and supporting the creation of dozens of local apprenticeships, thus helping Richmond to become one of the best-performing constituencies anywhere in the United Kingdom?

**Nick Boles:** One of the curious things about this job is that one discovers occupations that one has literally never heard of. I have to admit that I still do not know

what a fellmonger is. I am sure that I will find out, and perhaps one day I can join an apprentice fellmonger and understand the trade that he has learned.

**Peter Kyle** (Hove) (Lab): I thank the Minister for his statement. May I point him to a survey that was released not so long ago by the Department for Business, Innovation and Skills that showed that only 9% of young people doing a level 2 qualification were doing so for the first time? He said that most of his agenda was about social mobility, but how can that be compatible with the fact that so few people are doing that level qualification for the first time, and that so few of them are coming out with a higher level qualification than they went in with in the first place?

**Nick Boles:** The hon. Gentleman is right to point out that there is a problem with people starting courses and not completing them, fundamentally because those courses were inappropriate for them. It is something that we need to tackle, but it is more a subject that we are tackling through the panel that Lord Sainsbury is chairing, which is looking at establishing much clearer and more directive routes through technical education so that a person at 16 starts a course that is right for them, that they will complete and that will lead them—I hope—on to a great apprenticeship.

**Amanda Milling** (Cannock Chase) (Con): A total of 370 new apprenticeships were started between August and October last year in Cannock Chase, which put us at the top of the tables in Staffordshire and shows that local businesses are really embracing apprenticeships. Does my hon. Friend agree that involving employers in the design and standards of apprenticeships will mean that apprentices get the skills that businesses are looking for? Will he confirm that the employers involved are from a broad range of sectors so that everyone's requirements are met?

**Nick Boles:** My hon. Friend is absolutely right about this. It is extremely important not only that employers are in charge of developing standards to ensure that those standards are directly relevant to current occupations, but that we do not involve just the large employers that have human resources departments and senior managers who can go to meetings to help to develop those standards. Before every standard is approved, we insist that small and medium-sized employers in the industry support it.

**Ms Margaret Ritchie** (South Down) (SDLP): I welcome the Minister saying that he meets his colleagues in the devolved Administrations on a six-monthly basis. Can he provide us with an estimate of how much money is likely to be allocated to the Northern Ireland Executive on a proportionate basis as a result of the increase in the apprenticeship levy?

**Nick Boles:** The hon. Lady tempts me towards the edge of the abyss, but I can point out to her, because it is a matter of public record, that the apprenticeship levy is due to raise £3 billion in 2019-20, £2.5 billion of which will be spent on English apprenticeships, with the rest going to the devolved Administrations. I cannot tell her how that divides up, but the Chancellor will have more to say on the subject quite soon.

**Rebecca Pow** (Taunton Deane) (Con): I wholeheartedly support the Government's promotion of apprenticeships. I have been in discussions with many local businesses, schools and colleges about the value of apprenticeships and the opportunities that they offer young people. Although many businesses, such as the huge accountancy firm Albert Goodman, get it, many really do not. To address the lack of understanding about the matter, I am holding an event, to which I invite the evangelical Minister so that he can spread his passion to help the economy.

**Nick Boles:** I would be delighted to come. This afternoon, I am going to Keighley so that I can attend an equivalent event tomorrow morning that has been organised by my hon. Friend the Member for Keighley (Kris Hopkins). I would be delighted to return to the west country, where I am from.

**Liz McInnes** (Heywood and Middleton) (Lab): As part of my apprenticeship as an MP, I have just discovered that a fellmonger is a dealer in hides and skins. Is that right?

**Rishi Sunak** *indicated assent.*

**Liz McInnes:** On to the serious stuff. The Minister said that deciding to take on an apprenticeship was a way of avoiding large student loans. Given that it is his Government who have imposed these large loans, would not another way of helping our young people to avoid them be for the Government to rethink replacing student maintenance grants with loans, or will he simply accuse me of shroud waving?

**Nick Boles:** Now that I know what a fellmonger is, I trust that my hon. Friend the Member for Richmond (Yorks) (Rishi Sunak) will be able to procure a sheepskin coat for me when I come to visit his local fellmongers.

On the hon. Lady's question, we want young people to have the choice of taking a full-time university course, with the understanding that they will have to fund that through student loans, which they have to pay back only if they earn more than £21,000, but they get all the university experience and the enrichment that comes from that. We want to place no cap on the number of people who decide to go down that route, but we also want another route for those people who find that they learn better by combining study and work, who want to earn a wage and who do not want that full-time university experience. This is about not telling people what to do, but offering them a choice.

**Nigel Huddleston** (Mid Worcestershire) (Con): I, too, welcome the great progress that has been made on apprenticeships to date and the overall positive tone from across the parties in support of them. The Minister mentioned broadening out apprenticeships. Can he tell me what progress has been made in encouraging apprenticeships in highly seasonal industries, such as farming and tourism?

**Nick Boles:** I am grateful to my hon. Friend for that question, not least because I have been working with him and others on the possibility of establishing a pilot. Our minimum requirement that an apprenticeship has to last 12 months poses problems for very seasonal

businesses, which will employ people for perhaps six or nine months, but not a continuous 12-month period. With the tourism industry, in which he is particularly interested, we are looking at establishing a pilot whereby an apprentice may be employed for 12 months out of a 15-month period. Hopefully, such an approach would encourage more apprenticeships in that and other sectors.

**Gavin Robinson** (Belfast East) (DUP): When the contracts were agreed for the £97 million Titanic signature project in east Belfast 10 years ago, social contracts and clauses for apprenticeships were novel—and welcome—but it quickly became increasingly clear that while the developer was happy to satisfy the required number of apprentices, it did nothing to sustain them. When apprentices became less inclined to remain in their apprenticeships or fell away, their numbers were not refilled, so the end result was that the apprenticeships were not completed as promised. How will the Minister ensure that, although an apprenticeship must last 12 months, those who enter the system go through and complete the process?

**Nick Boles:** The hon. Gentleman raises an important concern. The truth is that most industries are telling us that they have a huge skills need, so unless an employer loses a big contract or does not find a new contract to replace one that comes to an end, it is relatively unlikely that they would want to lose an apprentice in whom they had invested quite a lot of training. Most apprentices do not reach their maximum productivity until after they complete their apprenticeship. I am hopeful that employers, and particularly those that are paying the levy every year, will want to create apprenticeships and invest in them, because they will want to use these skills for the long term.

**Karin Smyth** (Bristol South) (Lab): Bristol South sends the fewest young people to university in the country, so I view apprenticeships as the key to aspiration and share the Minister's evangelicalism. On his way back from Taunton in the west country, if he wants to stop off in Bristol South to see some of the work that we are doing, he will be most welcome.

Yesterday I asked the Prime Minister whether he had a delivery plan or was making up the policy as he went along; others have described it as iterative and agile. We await the details of the levy, of how the targets will work in practice, and of how colleges and other providers will be supported in their important work. Given that there is a desire to speak with one voice across the House on this subject, will the Minister please say a little more about when the delivery plan will be forthcoming?

**Nick Boles:** The hon. Lady is right that we have many questions to answer, because we are making substantial policy interventions to try to ensure that we meet our targets for both numbers and quality. If those questions are not fully answered in April, I will be severely disappointed.

**Andrea Jenkins** (Morley and Outwood) (Con): The Government are doing fantastic work in promoting apprenticeships. The Minister has been supportive in my constituency, having visited apprenticeship providers in the area, and he is welcome to come back. I am facilitating a meeting with local businesses to set the ambitious target of creating 50 new apprenticeships in

[*Andrea Jenkyns*]

50 days. Apprenticeships represent a fantastic opportunity for young people to earn while they learn and make it far more likely that they will secure future employment. Will the Minister support me in my ambitious plan to get more people into good apprenticeships locally?

**Nick Boles:** I congratulate my hon. Friend on embracing the cause and on setting herself and local businesses the target of creating 50 new apprenticeships in 50 days, which will be of vast benefit to the people of Morley and Outwood.

**Royston Smith** (Southampton, Itchen) (Con): I am probably fairly unusual in this place in that I am a former apprentice. Indeed, I am now also a current apprentice, along with some of my new colleagues. I therefore welcome the Government's commitment to creating another 3 million apprenticeships during this Parliament, in addition to the 2 million created in the previous Parliament. Businesses in my constituency are doing their bit. Will the Minister join me in congratulating and thanking some of the businesses that are creating opportunities for my constituents, such as Redroofs nursery, Rosegarth nursery, the Royal Southampton Yacht Club, and Crest Nicholson?

**Nick Boles:** I am delighted to do that. My hon. Friend's list included a house builder, which gives me the opportunity to point out that there are some fantastic apprenticeships at all levels of construction—not only bricklaying and site carpentry, but project management, architecture and the like—as well as in childcare and a whole range of industries. Apprenticeships are a solution to almost every skills need.

**Madam Deputy Speaker (Mrs Eleanor Laing):** Finally, I call Mims Davies.

**Mims Davies** (Eastleigh) (Con): Thank you, Madam Deputy Speaker—and then there was one.

I welcome the Minister's statement ahead of National Apprenticeship Week. Does he agree that it is vital that we encourage the participation of young women in traditionally male-focused apprenticeships? Will he join me in commending the 800 employers that are already working with Eastleigh College, which we have both visited and where I will be this evening? Such businesses are employing talented young women such as Maisie, who visited Parliament this week and is undertaking an advanced apprenticeship in construction and the built environment.

**Nick Boles:** That is a great note to end on: a young woman who has decided that the opportunities for her future career lie in the construction industry and an advanced set of skills. Last week, when I visited Doosan Babcock, I was introduced to two young apprentice riggers who were moving unbelievably heavy pieces of power plant equipment, and both those young women were absolutely delighted with what they were doing.

**Madam Deputy Speaker:** I thank the Minister for his evangelical statement.

## Northern Ireland (Stormont Agreement and Implementation Plan) Bill

*Considered in Committee*

[MR DAVID CRAUSBY *in the Chair*]

### Clause 1

THE COMMISSION

12.44 pm

**Tom Elliott** (Fermanagh and South Tyrone) (UUP): I beg to move amendment 1, page 1, line 10, leave out

“First Minister and the deputy First Minister acting jointly have”

and insert

“Northern Ireland Policing Board has”.

*This amendment provides for two members of the Independent Reporting Commission to be appointed by the Northern Ireland Policing Board instead of jointly by the First Minister and deputy First Minister.*

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

Amendment 7, page 1, line 10, leave out

“First Minister and the deputy First Minister acting jointly have”

and insert

“The Justice Minister, after consultation with the First Ministers and subject to the approval of the Executive Committee, has”.

*This amendment provides for two members of the Independent Reporting Commission to be appointed by the Northern Ireland Justice Minister following consultation with the First Ministers, subject to the approval of the Executive Committee, instead of jointly by the First Ministers.*

Clause 1 stand part.

Government amendment 3.

Clauses 2 to 5 stand part.

**Tom Elliott:** Amendment 1 relates to the independent reporting commission on paramilitary activity, the function of which is to examine general paramilitary activity within Northern Ireland, and its report will hopefully see a move away from terrorist activity. We have made huge and significant progress over recent years, but we want a total end to the terrorist campaign and paramilitary activity.

Murders have happened both recently and in the distant past. We have heard about loyalist paramilitary activity and killings, and the hon. Member for North Down (Lady Hermon) has made many representations about the disappearance of Lisa Dorrian, which has clearly had a major impact not only on her family, but on the community. We have also seen IRA murders in recent times—Robert McCartney, Denis Donaldson, Paul Quinn and more recently Kevin McGuigan in Belfast. What strikes me is the brutality and the clinical way in which those murders were carried out—the hallmark of the IRA in the past. The murders were not carried out by amateurs; they were carried out by professional terrorists and remind us of the IRA and other terrorist organisations. We want to bring an end to that. We must not forget that the Chief Constable of the Police Service of Northern Ireland said recently that the IRA and the army council still exist. We need to

deal with that and to ask whether the IRA and the army council are still inextricably linked to Sinn Féin, which is in government in Northern Ireland.

Amendment 1 relates to the appointment of two members to the independent reporting commission by the First Minister and Deputy First Minister. I accept that the “Fresh Start” document states that the Executive will appoint those two members, but we are seeking a move away from political appointments because it would be helpful if the appointments were made by a more independent body. When Northern Ireland parties were progressing aspects of the Stormont House proposals last year, it was suggested that the appointment of the proposed historical investigations unit director would also be done by the First Minister and Deputy First Minister. During the many discussions on that process, there was some level of agreement that there could be other, better ways of making that appointment. The Ulster Unionist party put forward suggestions for an independent process, but given others’ concerns about that, the option of the director being appointed by the Northern Ireland Policing Board carried some weight among all the parties involved in the talks.

**Lady Hermon** (North Down) (Ind): The hon. Gentleman will be well aware that the Policing Board was established by the Police (Northern Ireland) Act 2000. In tabling amendment 1, I am sure that the hon. Gentleman has checked that it would be within the Policing Board’s powers to make appointments to the independent reporting commission.

**Tom Elliott:** I thank the hon. Lady for that helpful intervention. We discussed the matter at length during the talks last year, into which all parties had input, including officials from the Northern Ireland Office and the Department of Justice. We felt that the Policing Board could be such a mechanism. I suppose that, in fairness, some people might say that it is still semi-political, and it is, but it has independent members so it can cross the political divide towards independents and lay people. That is why we felt that it was a good option for making appointments in this process, particularly given the fact that the Deputy First Minister has, by his own admission, said in the past that he was a senior member of the Provisional IRA. Obviously, there is still a question mark over whether he is still a member of the IRA army council.

**Sammy Wilson** (East Antrim) (DUP): Will the hon. Gentleman accept that on the Policing Board there will be members such as Gerry Kelly and Caitriona Ruane who have terrorist backgrounds as well? The situation will therefore be no different from the one he is describing with the Deputy First Minister.

**Tom Elliott:** I thank the hon. Gentleman for that intervention, and I agree with the first aspect of it. Yes, there are members of Sinn Féin and members who were former terrorists on the Policing Board, but the difference is that it is an organisation with a much broader base. There are independents, and it is likely that there will be only one member of Sinn Féin on an appointment panel with seven, eight or even nine lay members. Obviously, as things stand, there would be just the First Minister and the Deputy First Minister. There is a significant difference, I think, but I take the point.

**Sammy Wilson:** Will the hon. Gentleman also accept that when the decision rests with the First Minister and Deputy First Minister there is a power of veto by one of the Ministers, which would not be the case if members were appointed by the Policing Board?

**Tom Elliott:** I have not seen the option of veto exercised to a great degree with other appointments, so I would have concerns about whether that would work in this case.

By and large, there was a degree of support for the historical investigations unit director possibly being appointed by the Policing Board, but if that appointment was to be made by another independent body, we would be quite happy to consider that. In fact, the Ulster Unionist party initially proposed that the decision should be made by an independent body, not the Policing Board. The proposal to use the Policing Board came from another political party and we said as a compromise that that could be an option, which seemed to engender support.

That is our view. I should have thought that it would have received broad support, but perhaps that is wrong. In general, I think it is important that we try to move away from that political appointment process into a more independent one, because clearly we are dealing with very sensitive issues and material, so it is important that we have people of the right ability and calibre. The Policing Board has a track record, I know, and although I take the point made by the hon. Member for South Antrim about members of Sinn Féin being on the Policing Board, it has appointed the past three Chief Constables, the past three Deputy Chief Constables and a significant number of Assistant Chief Constables. Clearly, the board has done a lot of work on the appointment process for significant police officers and high-profile police officers, so I would argue that as they are well-versed in making such appointments the process might have been better and more independent if they made the decision rather than just the First Minister and Deputy First Minister.

**Mr Jeffrey M. Donaldson** (Lagan Valley) (DUP): We are unable to support the proposition behind amendment 1. We are not against the concept of moving towards greater independence for such appointments, but in the context of getting a political agreement that was not possible, as the hon. Member for Fermanagh and South Tyrone (Tom Elliott) rightly acknowledged. The Stormont agreement therefore gives the responsibility for making the appointment to the Office of the First Minister and Deputy First Minister. I listened carefully to what the hon. Gentleman said and would echo the comments of my hon. Friend the Member for East Antrim (Sammy Wilson)—East Antrim, not South. We have not yet redrawn the boundaries in Northern Ireland, although we are going to.

We have two difficulties with the proposal to use the Policing Board. May I say that having served on the Policing Board, I fully support it as an institution. It does a good job on the whole question of accountability in policing. Our objection is not on the basis that the Policing Board is somehow deficient, but the hon. Member for Fermanagh and South Tyrone revealed his true objective and motivation when he talked about the

[Mr Jeffrey M. Donaldson]

suitability of the Deputy First Minister to be involved in this appointment because of his alleged past in the IRA.

I have a lot of sympathy with what the hon. Gentleman is saying, but the difficulty I have is twofold. First, as my hon. Friend the Member for East Antrim rightly pointed out, we have three Sinn Féin members on the Northern Ireland Policing Board: Gerry Kelly, Pat Sheehan and Caitriona Ruane. At least two of those members have past convictions for IRA terrorism, so passing responsibility to the Policing Board does not resolve the difficulty the hon. Gentleman refers to, in terms of victims and survivors of the conflict in Northern Ireland having a problem with anyone from Sinn Féin being involved in the appointments process—a concern I have much sympathy with.

I depart from the hon. Gentleman on the second point made by my hon. Friend, on the question of the veto. The current arrangement that gives us a veto in the office of the First Minister over who is appointed is surely a far stronger safeguard to ensure that the people who are appointed to this very sensitive role are people that the victims and survivors community can have confidence in. If we go to the Policing Board, there is no such veto. Indeed, the political influence on the Policing Board is outweighed by the independent influence. I emphasise that I have nothing against the current structure of the Policing Board; I am merely making the point that if you want to exercise a degree of accountability on this issue and ensure that the people who are appointed to this very sensitive role are appropriate for that role, having a veto gives you the leverage to ensure that that happens, whereas if you pass it to the Policing Board you lose that veto.

For those reasons, we will not be able to support the amendment.

**Ms Margaret Ritchie** (South Down) (SDLP): I am pleased to serve under your chairmanship, Mr Crausby. I rise to speak in support of amendment 7.

On Second Reading, I said that we must cast our minds back to the reasons for the independent reporting commission. This all emerged in the violence and terrorism of last year when two people lost their lives: Gerard Davison at the beginning of May, in the Lower Ormeau and Markets area of south Belfast; and Kevin McGuigan, somewhere in that same location. As a result of those deaths and the breakdown of relationships around the Executive table, we had negotiations on the Stormont House agreement. During those negotiations, the SDLP circulated papers to the three Governments and all parties on a whole enforcement approach, and a whole community approach. We believe that the answers and the solution must come not only from Government and from political parties but from the wider community. There must be a buy-in to a solution, to the eradication of terrorism, violence and antisocial behaviour and to an upholding of democratic principles. We also believe that, although “Fresh Start” was designed and managed to be a two-party deal, there should have been all-party work on the membership of the independent reporting commission. How can the work of that commission and its mandate, which includes the Irish Government and Dublin representatives, be reconciled with that approach by Sinn Féin?

During the Second Reading debate, I asked the Secretary of State to say precisely what new moneys would be made available to the National Crime Agency and the Police Service of Northern Ireland, when those moneys would be released and what the split between the two would be. That set some of the background for our amendment. Like the Ulster Unionist party, we feel that the credibility of the independent reporting commission would be enhanced if it involved the Executive more widely rather than just the First and Deputy First Ministers. We believe that it is not a Policing Board matter, which is why we have specified that the two members will be appointed by the Justice Minister in consultation with the First and Deputy First Ministers, subject to Executive approval, hence providing the transparency and accountability that are required in this particularly vexatious issue. All of us on these Benches are agreed on one point. We want to see an end to violence, paramilitarism and terrorism. Above all, we want to see the upholding of democratic principles of government and in the wider civic community.

I support our amendment 7 in this group.

1 pm

**Mark Durkan** (Foyle) (SDLP): In following my hon. Friend the Member for South Down (Ms Ritchie) in speaking to our amendment, I want to deal with a few of the points that have been made about this group of clauses on the independent reporting commission.

At the original Stormont House talks in late 2014, the SDLP proposed that the agenda should include paramilitarism and organised crime. It did not take the murders that subsequently happened to tell us that that was still a serious issue that should not be ignored in any serious negotiations. Unfortunately, we were not supported by other parties, who seemed to believe that that would somehow not be a problem. So we are now addressing an issue that other parties chose to ignore. Whenever the murders happened last year, a political crisis was created over issues that parties chose to ignore and then dramatically tried to advertise.

**Mr Jeffrey M. Donaldson:** The hon. Gentleman will forgive us if we take his comments as tongue in cheek, given that we were told after the Good Friday agreement in 1998 that these problems were all being dealt with, and the agreement was a comprehensive approach to resolving the issues relating to our conflict in Northern Ireland. We are still dealing with them 18 years later so he should not point the finger at those of us who warned in 1998 that the agreement was deficient in that regard.

**Mark Durkan:** Without getting drawn too far away from the subject of the Bill, none of us pretended that the 1998 agreement would absolutely solve the problems or dissolve any of the paramilitary organisations. We committed to a framework for decommissioning and a number of other changes. We consistently supported the existence of the Independent Monitoring Commission to deal with the questions of ongoing paramilitary activity. In this House, whenever the previous Secretary of State, the right hon. Member for North Shropshire (Mr Paterson), announced that the IMC was being wound up, some of us said, “You are taking away the monitoring commission because Sinn Féin has made a

political issue of it, but the issue of paramilitarism has not gone away, and it will come back.” We pointed out that something like the IMC would end up being needed. That is exactly what happened last year.

Some of us have been consistent about recognising where there are problems and that they need to continue to be addressed. We were right about the questions arising when the IMC was wound up with no procedure to deal with ongoing concerns. We were right to say that the issue needed to be addressed in the Stormont House agreement. We were right in the proposals that my hon. Friend the Member for South Down has described when we said that we needed an enforcement approach and a whole community approach to secure an end to paramilitarism, as well as all the other changes that were needed to achieve a wholesome society. We were the only parties that advocated such proposals. To an extent, some of the sentiment of that is reflected in the agreement, but in a highly edited, partial and incomplete way, and that is why we have tabled our amendments.

We used to have an Independent Monitoring Commission that reported. Now we have an independent reporting commission. The legislation does not seem able to say “monitor”. The “Fresh Start” agreement refers to the term “monitoring”, but for some reason “monitoring” is not in the Bill. It is as though the legislation has carefully avoided saying anything that the commission will actually do. So we have to look at the “Fresh Start” agreement to see what the commission might actually do. For some reason, it is avoided in the lengthy clauses of the Bill.

The right hon. Member for Lagan Valley (Mr Donaldson) said that under the “Fresh Start” agreement the appointments, as well as the one appointment by the British Government and the one by the Irish Government, were to be made by the First and Deputy First Ministers. They were not. The hon. Member for Fermanagh and South Tyrone (Tom Elliott) is correct. The “Fresh Start” agreement said that the Executive shall nominate two members. Therefore, our amendment is consistent with what is in the “Fresh Start” agreement. It says that the appointment should be made, rather than by the First and Deputy First Minister, by the Justice Minister after consultation with the First and Deputy First Minister and in agreement with the Executive. So our amendment is more consistent with the “Fresh Start” agreement than the clause or the right hon. Gentleman’s amendment.

**Tom Elliott:** The hon. Gentleman is right that the “Fresh Start” document says that the Executive are supposed to make the appointment. Perhaps the Secretary of State or the Minister of State will tell us why the legislation did not say that the Executive as opposed to the First and Deputy First Minister were to make the appointment so that there could be a collective decision by the Executive rather than a decision by just two Ministers.

**Mark Durkan:** I fully accept the point, and I hope that the Secretary of State and the Minister have heard it. It would be useful if they addressed it.

It is unfortunate that, every time something is referred to as a role of the Executive it ends up becoming an appointment by the First and Deputy First Minister. With all that can be said about their acting jointly, people know that the habit has been that distinct and

separate appointments have been made. There is not the trust in the appointments system. It is very like what Macaulay said about Disraeli and Gladstone. One of them is a charlatan and knows it; the other is a charlatan and doesn’t know it. So people do not have full confidence in the appointments system when something wider is required.

The “Fresh Start” agreement specifies that a number of things will be done by the Executive. The work towards an end of paramilitarism and a lot of other commitments in the “Fresh Start” agreement are put in the name of the Executive. I will be addressing the limitations of that in subsequent amendments and new clauses. We are meant to have an approach that is about all the parties, and all the parties may not be on the Executive. If this is about an all-party approach, we should be creating mechanisms that involve all the parties and we should not pretend that these issues will become the sole responsibility or property of the Executive. Nor should we pretend that the due responsibility of the Executive is discharged simply by the First and Deputy First Minister making appointments. I do not believe that any of that is adequate.

The fact that we needed to be back in Stormont House for talks on the negotiations after the crisis showed it was not sufficient that things were done between the First and Deputy First Minister. We had a crisis and needed all-party talks to bring us back from the brink. The First and Deputy First Minister’s positions and parties had brought us to the brink. Now we seem to be ending up with mechanisms that mean that everything will be done by the First and Deputy First Minister in future. So none of the lessons has been learned. None of the mistakes in the scoping of past negotiations, the scoping of the agenda or the politics of how these things are managed has been learned from.

I know that the amendment has been tabled by the Ulster Unionist party in respect of the role being conferred on the Policing Board. As the party which argued most in the Stormont House negotiations that the key roles in the Historical Investigations Unit should be appointed by the Policing Board, I do not agree with the amendment. After all, the HIU has a role which will involve constabulary powers. If there is a policing element to it, the evidence can be gathered, investigated and referred for prosecution. The role of the reporting commission is quite different. Nobody saw that there would be huge tension—apart from dealing with some of the cases that have already been looked at by the Historical Enquiries Team—between the role of the Chief Constable and the PSNI, and the role of the HIU.

There could, arguably, be difficulties between the reporting commission and the Chief Constable. For example, last year in the aftermath of the two murders, when the Chief Constable made an assessment that shared publicly the police’s working theories in relation to that murder, something of a political crisis was created and a panel was set up to look at those issues, including to say whether it accepted what the Chief Constable had said. It would be odd if the reporting commission, which was in part appointed by the Policing Board, had to look at issues that had been the subject of comment by the Chief Constable. That might be a dilemma for the Policing Board and might raise tensions. I do not believe that the Policing Board appointment answers the question.

**Tom Elliott:** Does the hon. Gentleman accept that his party was to the fore in proposing that the Policing Board would be instrumental in the appointment of senior members of the HIU? There could easily be a conflict between the HIU director or directors and the police. If the proposed arrangement will work for the HIU, I do not see why it should not work for the reporting commission.

**Mark Durkan:** I do not think the potential conflict would be the same. Obviously, there is the issue that was considered in the talks that some of the cases that had already been dealt with by the HET are currently the subject of PSNI investigation. Whether they will be referred to the HIU or reopened by the ombudsman is a factor in that. The prospect of any potential tension around the Chief Constable's role was among the reasons why we said that appointment by the Policing Board would be a sensible way forward.

A different issue arises in relation to the role of the reporting commission. If we take the example of the controversies last year, the panel, which was a proto make-do version of the reporting commission, had to examine issues on which the Chief Constable had rightly spoken. Obviously, there was argument and tension about that.

**Nigel Mills (Amber Valley) (Con):** I think the hon. Gentleman was arguing that in future the Executive may not consist of all five parties and there will be parties in Opposition. In that situation, would it not make sense for the commission, whose job is to hold the Executive and the two Governments to account, to have its members appointed by the Assembly and the Parliaments, rather than the Executive?

**Mark Durkan:** There is a wider possibility in that, which may take us further away from what was said in the Stormont House agreement. The hon. Gentleman is right. We need to ensure an all-party approach and we will address that problem in future amendments and new clauses, which I will not venture into now.

We believe that the way in which the Government have taken matters forward and the way in which the "Fresh Start" agreement has been framed do not recruit and keep engaged the span of cross-party interest that there should be both in the Assembly and beyond. It mistakenly shorthands too much to the Executive, then translates that as meaning simply First and Deputy First Ministers, with all the limitations and difficulties that that brings.

Furthermore, with the Commission appointed in that way by the Assembly, the process for doing that would become more complicated, and it is complicated enough at the Policing Board level. We think that appointment by the Justice Minister, following consultation—properly to give them their due—with the First and Deputy First Ministers, in agreement with the Executive, would be a way of reflecting some of the wider interests without creating difficulties for the Policing Board, adding to the list of appointments that it makes, and maybe creating tensions with some of its other appointment roles.

It should be recognised that the issues that have been highlighted by both the Ulster Unionist party and ourselves in respect of the appointments are not the

only questions that should be asked in respect of the ill-defined role of the reporting commission, and how well that sits with the wider responsibilities that the hon. Member for Amber Valley (Nigel Mills) referred to. If we are serious about the whole community approach alongside the enforcement approach, there needs to be something much more collective and better defined than the Government have provided for in the Bill.

1.15 pm

**Stephen Pound (Ealing North) (Lab):** It is appropriate that I place on record at the outset our appreciation for the independent reporting commission, the creation of which is important. I think I speak for the whole Committee in welcoming it.

Our debate on amendments 1 and 7 illustrates one of the great problems faced by any of us involved in the politics of Northern Ireland: the search for independence. With a population of 1.7 million, where, as is often said, everybody knows everybody, it is almost impossible to find anybody who is completely Simon-pure and separated from any accusation of community bias. The search for that person who is completely independent has in the past taken us to Finland, to South Africa, to Canada, and to Canada and back to Canada, and it will probably continue to do so.

It is intensely important that we realise that we are dealing with a conflict between aspiration and actuality. Everybody wants a completely independent nominating system, but nobody whom I have yet heard can come up with a mechanism to achieve that beyond peradventure and beyond criticism.

**Lady Hermon:** In his comments, I am sure that the hon. Gentleman did not mean to cast any sort of aspersions on the composition of the Independent Monitoring Commission, which did monitor and did report. The proposed body will do both and will be called the independent reporting commission. We had Lord Alderdice, John Grieve, a retired senior member of the Garda Síochána and a retired American police officer, who did a fantastic job on the Independent Monitoring Commission. I am sure the hon. Gentleman meant to add a sentence to say that we had full confidence in their independence in the IMC.

**Stephen Pound:** That is precisely what I was about to say. The point I was making is that we may succeed. Quite often we succeed, but sometimes it is against the odds. The search for that additional independence continues. The hon. Lady is, as ever, completely right in this matter.

When the hon. Member for Fermanagh and South Tyrone (Tom Elliott) introduced amendment 1, he was right to mention some of atrocities—not just the recent atrocities, but the murders of Paul Quinn and Robert McCartney. I spent a great deal of time with Paul Quinn's parents, and it is important that we never forget that horrific murder. Even though it was some years ago, the memory is still raw.

The right hon. Member for Lagan Valley (Mr Donaldson) focused the debate by talking about the veto safeguard that exists in the current system. It is immensely important that we realise the significance of that. If we are trying to find a mechanism for a nomination process, the

proposed process is about as close as we are going to get. I will listen with interest to what the Government say, but we also need to pay attention to amendment 7, which was tabled by the SDLP. The hon. Member for Foyle (Mark Durkan) pointed out, rightly, that the predecessor to the current Secretary of State had some of these issues pointed out to him at the time. It would have been better if we had considered them then, instead of now.

Just as these amendments illustrate one of the problems of finding people to appoint who are beyond criticism, they also illustrate one of the great strengths of Northern Ireland politics. Even when politicians are elected from a particular community, and may even be from a particular community, there has never been, in my hearing, any suggestion that they have failed to represent every aspect of their community. That is noteworthy, and we say it far too rarely on the Floor of the House. That aspect of life in Northern Ireland gives me great hope for the future.

The Opposition support the Government on this issue, which is an unusual position for me to be in. My hon. Friend the Member for Gedling (Vernon Coaker) and I would like to hear more about these issues, and particularly about the points made in amendment 7, but for the time being, we think that the clause is about as good as we are going to get.

**The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace):** It is a privilege to serve under your chairmanship, Mr Crausby. I thank hon. Members for their contributions and for the suggestions that they have made in the amendments.

As we have discussed, the first five clauses of this short Bill concern the independent reporting commission. This new body is one of a raft of measures set out in November's "Fresh Start" agreement to tackle the ongoing impact of paramilitary activity. The commission, which is to be established through an international agreement between the United Kingdom Government and the Irish Government, will have an overriding objective to promote progress towards ending paramilitary activity.

Although the IRC has different functions from the Independent Monitoring Commission, it builds on the precedent set by that commission, which was in operation between 2004 and 2011, monitoring activity by paramilitary groups and overseeing implementation of security normalisation measures.

I will now speak about the clauses and related amendments. Clause 1 makes reference to the functions of the new independent reporting commission, as set out in the "Fresh Start" agreement. Those will be: to report annually on progress towards ending paramilitary activity; to report on the implementation of the measures of the Government, the Northern Ireland Executive and the Irish Government to tackle paramilitary activity, including overseeing implementation of the Executive's strategy to end paramilitarism; and to consult a wide range of stakeholders, including law enforcement agencies, local councils, communities and civic society organisations.

The reports of the commission will inform the Executive's programme for government through to 2021. The commission will be independent of the sponsoring Governments and will have significant discretion in fulfilling its functions. That independence will help to

ensure the credibility of its reports and its success in engaging with the necessary range of stakeholders. The Secretary of State may provide the commission with such resources and funding as she considers appropriate.

Finally, in line with the "Fresh Start" agreement, the commission will be made up of four members—one nominated by the UK Government, one by the Irish Government and two by the Executive. Clause 1(4) confers on the First and Deputy First Ministers the power to jointly nominate the Executive members.

Two amendments have been tabled to that subsection. In amendment 1, the hon. Members for South Antrim (Danny Kinahan) and for Fermanagh and South Tyrone (Tom Elliott) propose that the power to nominate two members be conferred on the Northern Ireland Policing Board instead of the First and Deputy First Ministers. The "Fresh Start" agreement provides that two members of the new commission will be nominated by the Executive. The Northern Ireland Policing Board is not, however, part of the Executive, and the amendment would therefore not be consistent with the terms of that agreement.

In amendment 7, the hon. Members for Foyle (Mark Durkan), for South Down (Ms Ritchie) and for Belfast South (Dr McDonnell) propose that the power to nominate be conferred on the Northern Ireland Minister of Justice, following consultation with the First Ministers, and subject to the approval of the Northern Ireland Executive Committee. While the Government recognise the interest that the Justice Minister, in particular, will have in the nominations, it is our view that the First and Deputy First Ministers, acting jointly, are the most appropriate office holders to nominate members on behalf of the Executive as a whole, in view of the objective and functions of the commission.

We would of course encourage the First and Deputy First Ministers to consult their Executive colleagues—in particular the Justice Minister—before making nominations. It is also open to the First and Deputy First Ministers to refer the nominations to the Executive Committee and, indeed, to consult more widely. For example, amendment 1 proposes a role for the Northern Ireland Policing Board, and that could certainly provide helpful recommendations regarding candidates for nomination. I also noted that the hon. Member for Foyle highlighted the difference between the HIU and the IRC—two different bodies with very different functions. His point is well made when it comes to the reference to the Northern Ireland Policing Board.

**Nigel Mills:** Does the Minister think the appointment by the UK Government should be subject to a pre-appointment hearing by the Northern Ireland Affairs Committee?

**Mr Wallace:** I am all for parliamentary transparency and scrutiny of the Government's decisions. We will take my hon. Friend's suggestion on board and reflect on it—that is the best way to proceed. All four stakeholders will hopefully be serious and respected figures to ensure that the public believe that the commission's reports are credible and that the commission really is a proper step towards reducing paramilitary activity in Northern Ireland.

**Nigel Mills:** I am grateful to the Minister for considering the idea, but as we are appointing somebody who needs to be seen to be impartial and whose role is to hold the

[Nigel Mills]

Government to account, having that independent oversight of the appointment to show that Parliament has confidence in it would help the credibility of the post.

**Mr Wallace:** The Northern Ireland Affairs Committee is certainly not prohibited from examining the appointment by the UK Government, and it will no doubt be able to make recommendations or to make its views known. As to whether that is formally part of the process, the best thing, as I said, is to reflect on that. If my hon. Friend would like, I will write to him with a response or, hopefully, get back to him before the Bill's stages are completed.

I turn now to clauses 2 to 5. Clause 2 deals with the exercise of the functions of the new commission. The clause provides that the objective of the commission is to promote progress towards ending paramilitary activity connected with Northern Ireland. The commission will be required to exercise its functions in the way it considers most appropriate for meeting that objective.

The commission will also be under the duties not to: prejudice the national security interests of the United Kingdom or Ireland; put at risk the life or safety of any person; have a prejudicial effect on the prevention, investigation or detection of crime; or have a prejudicial effect on any actual or prospective legal proceedings. With the exception of the duty not to have a prejudicial effect on the prevention, investigation or detection of crime, those were all duties to which the Independent Monitoring Commission was subject. The new duty is now considered necessary given the shift in investigative responsibility for paramilitary activity in Northern Ireland. Its intention is to ensure that the Police Service of Northern Ireland can engage fully and meaningfully with the commission.

**Lady Hermon:** The Minister cites clause 2, which says the independent reporting commission's objective is to "promote progress towards ending paramilitary activity connected with Northern Ireland."

For the record, will the Minister confirm that the commission is absolutely free—actually, that it will be called on—to report that paramilitary activity connected with Northern Ireland may well be initiated, instigated or supported from within the Republic of Ireland?

**Mr Wallace:** The IRC, obviously in conjunction with the duties I mentioned, will be free to report on anything of that nature. It is not only the UK Government who are keen to pursue this, but the Government of the Republic of Ireland. I think that both Governments recognise that this cannot be done in a vacuum, with Northern Ireland entirely carved out of paramilitary activity on the island of Ireland.

In respect of the duties not to prejudice national security interests and not to put at risk the life or safety of any person, the Secretary of State must issue guidance to the commission about the exercise of its functions, in so far as the commission's functions touch on the disclosure of information that might be prejudicial to those duties.

**Vernon Coaker (Gedling) (Lab):** Will the Minister say a little more about the guidance that he mentioned? Clause 2(8) says the Secretary of State must publish the

guidance. When is that expected to happen? When will Parliament get a chance to look at the guidance and comment on it? I want to be a little clearer about whether it is just that the guidance will be published, or whether Parliament will get a chance to look at what the guidance is or is not.

**Mr Wallace:** Parliament will certainly have an opportunity to scrutinise the guidance as published. As for the timescale, that will be dictated by how quickly the nominations of the commissioners are made. However, we do not take this lightly. The guidance is very important and everyone needs to know where they stand with it, which is why I welcome the fact that it is going to be published. I will get some clarity for the hon. Gentleman on whether the guidance will be done by regulation.

The guidance referred to in clause 2(5)(a) is intended to assist the commission in the discharge of its duty under clause 2(3)(a), which is not to do anything that would prejudice national security. However, we recognise that, while many of the same principles may apply to the protection of national security interests in Ireland as in the United Kingdom, it is not appropriate for the Government to issue detailed guidance about national security matters in another jurisdiction, and it was never the Government's intention to attempt to do so.

1.30 pm

To avoid any doubt about the matter, we propose to remove the reference to Ireland in clause 2(5)(a). The practical effect of the amendment will be that the Secretary of State will be required to issue guidance to the commission in respect of its functions in relation to information that, if disclosed, might prejudice national security, but the guidance will not deal with information that might prejudice the national security interests of Ireland. The guidance will continue to cover information that might put at risk the life or safety of any people.

As provided in the Bill, the commission will still be required to have regard to the guidance, and the Secretary of State will remain able to amend or replace the guidance as necessary. The guidance will still be published when issued. I can also confirm that the guidance will be published and a copy will be placed in the Library of each House. The guidance will be made available to the commission before it begins its operation.

Clause 2, as amended, seeks to secure an appropriate balance between the provision of important safeguards in relation to the exercise of the commission's functions, and ensuring that the commission has the independence and discretion it needs to deliver effectively on those functions.

Clause 3 confers on the independent reporting commission immunity from suit and legal process, and inviolability of its official archive and premises. In practice, that means that the commission will not be subject to legal challenge or process, including civil claims and judicial review. It also means that its premises and archive cannot be subject to search of requisition, as is the case with a diplomatic mission.

Those legal privileges are routinely given to international organisations and, indeed, there are a number of recent examples in the Northern Ireland context, including the Independent Monitoring Commission, the Independent Commission for the Location of Victims' Remains and the Independent International Commission on Decommissioning.

The legal privileges serve two key purposes. First, they ensure that the commission cannot be compelled to disclose material it holds, including the identities of those who have provided information. That is crucial to ensuring that the commission is able to reach out to a wide range of sources in pursuit of information on paramilitary activity and thus fulfil its role in promoting the ending of it. IMC commissioners recognised that point in their final report, stating:

“These immunities were fundamental to our ability to operate.”

In addition, the legal privileges are essential to protecting the independence of this new body. They ensure that it cannot be challenged by those who may be the subject of its reports, or by the sponsoring Governments.

Clause 3 also enables the commission to waive its legal privileges where it deems appropriate. That is key to the proportionality of the provisions.

**Jim Shannon (Strangford) (DUP):** The Minister has been very specific in what he has said about archives. For the sake of clarification and *Hansard*, will the provision affect access to the Boston tapes, on which there is some very significant information, and the important evidence that could put away for a very long time IRA terrorists who have been involved in activities?

**Mr Wallace:** It does not affect that at all. The independent commission will be able to draw on sources from wherever it needs to in order to construct its report and carry out its monitoring purposes. There is nothing more I can say about that, other than that we hope that it will be a proactive body that uses open source and every other area of information possible to come up with robust and respected reports.

On the appropriateness of the legal privileges, if a staff member wished to make a claim to an employment tribunal, the commission could waive its immunity from legal process to allow that person to pursue the claim.

Finally, clause 3 also confers on the Secretary of State the power to confer by regulations certain further privileges on the commission itself, commissioners and staff, and members of their households. Conferring such immunities in secondary legislation will allow flexibility in making decisions on the exercise of this power on a case-by-case basis. In line with similar provisions in the Acts establishing the IMC and ICLVR, the power is subject to the negative procedure.

Clause 4 is a short clause setting out the key terminology used in the Bill for the new independent reporting commission. It includes a reference to the “agreement relating to paramilitary activity”,

which is the international agreement between the UK and Irish Governments that will establish the commission. Work on the agreement is at an advanced stage, but hon. Members will understand that the timing of the Irish general election has meant that it is not yet formally agreed. The agreement will, of course, be laid before Parliament for scrutiny, in accordance with the Constitutional Reform and Governance Act 2010.

**Danny Kinahan (South Antrim) (UUP):** The Minister said in our previous debate that the definition of “paramilitary activity” would be determined by the commission, but does he have any idea what the Republic of Ireland’s definition is of that term?

**Mr Wallace:** I cannot answer for the Irish Government; we have to leave that up to them. Our purpose is to allow the commission to come up with a definition and to prosecute it in the pursuit of making its reports.

It is our clear intention to lay the treaty before Parliament before, or at the same time as, the regulations to be made under clause 4. As will be clear, the Bill sets out the broad framework for the commission. It references the functions in the “Fresh Start” agreement and sets out the key duties to which the commission will be subject.

Further details will be required in secondary legislation to give full effect to the international agreement. Clause 4(2) therefore provides such a power, which may be used to make provision about accounts and audit, for example, or about majority decision making, or other key aspects of the agreement. I recognise that that is a relatively broad power and that the regulations to underpin the new commission are likely to be of interest to hon. Members. The regulations will, therefore, be subject to the affirmative procedure.

Clause 5 makes provision about the conclusion of the commission’s work. The “Fresh Start” agreement provides that the work of the commission will inform future Northern Ireland Executive programme for Government priorities and commitments through to 2021.

**Mark Durkan:** The Minister said earlier that the Government would encourage the First and Deputy First Ministers to consult the Executive when they exercise appointments to the commission. Clause 5 states that

“the Secretary of State must consult...the First Minister and deputy First Minister in Northern Ireland...the relevant Minister in the Government of Ireland, and...any other person the Secretary of State considers appropriate.”

Will the Minister give a guarantee that all the parties that were meant to be involved in the negotiations that brought about the creation of the commission will be consulted, rather than leaving it to just the First and Deputy First Ministers yet again?

**Mr Wallace:** I am sorry to disappoint the hon. Gentleman. We have decided that the First and Deputy First Ministers are the most appropriate officers to make the final decision. It is, of course, up to them, as the leaders of the Executive, to consult all their members, and more broadly, if necessary. The Government decided that the most appropriate officeholders are the First and Deputy First Ministers.

**Mark Durkan:** Clause 5(2)(c) mentions “any other person the Secretary of State considers appropriate”, so what is wrong with the Minister giving an assurance that that should include other party interests? That is hugely important if we are going to maintain the broad span of support to confront paramilitarism.

**Mr Wallace:** The clue is in the word “appropriate”. We want to set up the commission and make sure that it carries the momentum of public opinion to resolve the issue of paramilitary activity in Northern Ireland. Our view is that the best way to do that is to assign to two officeholders—the First and Deputy First Ministers—

[Mr Wallace]

the authority to nominate two members of the four-member commission. That is the decision the Government have taken.

I have read the hon. Gentleman's amendment 7. The First and Deputy First Ministers do not operate in isolation in the Executive; they consult and speak to Ministers on a daily basis. That may not be his experience, but it has certainly been mine since I was appointed. I want to place on the record my admiration for the current Justice Minister, David Ford, and what he has done over the past few years, and I am sad that he has said that he will not continue in that role. He is incredibly well respected in the Executive, and it is our view that the First and Deputy First Ministers do speak to him and regularly consult him. Perhaps they do not do so as much as the hon. Gentleman might like, but they would be unwise to not consult that office in any future debate.

**Lady Hermon:** It might assist the Minister if he took the Bill off the Dispatch Box and looked at the clause that we are discussing. The point that the hon. Member for Foyle (Mark Durkan) is making is a good one. I am not talking about the amendment about who appoints whom to the Independent Monitoring Commission—I mean the independent reporting commission; it is hard to think that it is not a monitoring commission. I am talking about clause 5, on the conclusion of the commission's work, about which the Minister has been speaking. The hon. Gentleman has made the point that before the Secretary of State makes the regulations that the Minister has referred to, clause 5(2)(c) specifies not only that the Secretary of State must consult, quite rightly, the First Minister and Deputy First Minister, but that she must consult

“any other person the Secretary of State considers appropriate.”

As the hon. Gentleman said, it would be helpful if the Minister put on record this afternoon, in *Hansard*, the fact that “any other person...appropriate” includes the other Executive Ministers.

**Danny Kinahan** *rose*—

**Mr Wallace:** I will give way to the hon. Member for South Antrim (Danny Kinahan).

**Danny Kinahan:** On the same point, the definition of “appropriate” should be expanded. It should be appropriate to talk to anyone in opposition, because we have Opposition legislation going through the Assembly. If we change it in future, that should also be added as an appropriate person to speak to.

**Mr Wallace:** Before I move on, I refer hon. Members again to the word “appropriate”. The winding up of the commission is some years hence. What the commission looks like, how it behaves and the importance that is attached to it at the time of winding up will dictate the most appropriate people, office holders and agencies to consult in that winding up. I do not intend to restrict the Government to commitments about specific individuals other than those set out in the subsection about whom we must consult. It is clear that we would consult the First Minister and Deputy First Minister, and the relevant Minister in the Government of Ireland, because of the

nature of the international treaty with the Irish Government. Indeed, the leaders of the Executive in Northern Ireland, the First Minister and Deputy First Minister, would have to be involved, given that they are involved in the set-up of the body.

However, when it comes to what is appropriate at the time, I do not think I should hold to hostage a future Government, a future Minister or anybody else on something that may or may not happen in five, six, seven, 10 or however many years' time. That is why the Bill states quite clearly: as “appropriate”. If I were winding up the commission right now, I would consult a range of stakeholders, including the Justice Minister, but I am not going to prescribe in legislation individual people whom it may not be appropriate to consult in a few years' time.

**Mark Durkan:** Will the Minister give way?

**Mr Wallace:** I want to move on. We have fought a bit, and I know that hon. Members are keen to get on to the next group of amendments. Clause 5 provides that the Secretary of State may make regulations to wind up the commission, as I have said. Before making such regulations, we will confer with all the stakeholders. The clause provides that regulations to wind up the commission may amend, repeal or revoke an enactment. Similar provision was included in the Act that founded the IMC, the Northern Ireland (Monitoring Commission etc.) Act 2003, which granted the Secretary of State the power to provide, by order, that key provisions of that Act would cease to have effect. That power was exercised in 2011, effectively winding up the IMC. The clause also provides that such regulations may confer functions on the Secretary of State or any other person, and may make provision about the destruction of information or records held by the commission.

The new independent reporting commission will fulfil an important role in tackling paramilitary activity, in furtherance of the Government's commitment to challenging all paramilitary activity and associated criminality. I hope that the hon. Member for Fermanagh and South Tyrone will withdraw the amendment.

1.45 pm

**Tom Elliott:** It is quite clear that neither the Government nor other parties support amendment 1, so it would be difficult for us to win a vote on it. I am disappointed that none of the parties has dealt with the implications of having a more independent appointment process, and moving away from the direct political appointment process. We are where we are with the Bill, however, and the UUP broadly supports it. We would like to have seen some changes, but by and large we want the process to move on.

**Mark Durkan:** Obviously, my hon. Friends and I believe that amendment 7 takes forward the terms of the agreement in a better spirit than does clause 1, but we do not want to press the point to a Division. I want to put it on the record that that does not mean that we are content with the proposals. Equally, we think there are some questions about the other clauses in the group, which the Government should continue to address. In his response to our points about the limitations of clause 5, the Minister did not reinforce the sort of encouragement that he has said the Government want to give the First Minister and Deputy First Minister

about consultation. If the Minister had been more forthcoming, we might have believed in the worth of his encouragement to the First Minister and Deputy First Minister. On that basis, we do not intend to press the amendment to a vote.

**Tom Elliott:** I beg to ask leave to withdraw the amendment.

*Amendment, by leave, withdrawn.*

*Clause 1 ordered to stand part of the Bill.*

## Clause 2

### EXERCISE OF FUNCTIONS

*Amendment made:* 3, page 2, line 17, leave out “or Ireland”.—(Mr Wallace.)

*This amendment limits the Secretary of State’s duty to give guidance about the exercise of the Commission’s functions in relation to disclosures of information which might prejudice national security. As amended, the duty will cover only the national security interests of the United Kingdom.*

*Clause 2, as amended, ordered to stand part of the Bill.*

*Clauses 3 to 5 ordered to stand part of the Bill.*

## Clause 6

### EXTENSION OF PERIOD FOR APPOINTMENT OF MINISTERS

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

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

Amendment 8, in clause 7, page 4, line 13, at end insert

“including agreed support measures for those who are evidently making the transition away from paramilitarism;”

*This amendment seeks to prevent a possible tension between two parts of the Pledge, which may be interpreted divergently.*

Amendment 9, page 4, line 20, leave out paragraph (cj)

*See Member’s explanatory statement to amendment 8.*

Amendment 10, page 4, line 22, at beginning insert “subject to paragraph (e)”

*This amendment maintains the primacy of the requirement in the existing pledge of office in Schedule 4 to the 1998 Act to support, and act in accordance with, all decisions of the Executive Committee and Assembly.*

Amendment 11, page 4, line 24, at end insert—

“( ) After section 16A(9) of the Northern Ireland Act 1998, insert—

(9A) The First Ministers shall each make their pledge of office orally in full at a sitting of the Assembly.”

*This amendment provides for the First Ministers to make their pledge of office in full at a sitting of the Assembly.*

Amendment 12, page 4, line 24, at end insert—

“( ) The Northern Ireland Commissioner for Complaints—

- (a) will receive any complaints of any breach of the pledge of office, and take whatever action in regard to that complaint the Commissioner considers appropriate, which may include investigating, resolving or publishing conclusions on the outcome of any complaint.

- (b) may appoint, in consultation with the Lord Chief Justice for Northern Ireland, a Pledge Adjudicator to duly consider and examine any complaint of a breach of the Pledge of Office and report relevant findings or recommendations to the Commissioner.”

*This amendment makes provision for the Northern Ireland Commissioner for Complaints to receive any complaints regarding breaches of the Pledge of Office by Ministers and to take any action (s)he deems fit in regard to the complaint. The Commissioner may also, after consultation with the Lord Chief Justice for Northern Ireland, appoint a Pledge Adjudicator to examine any given complaint and report on relevant findings or recommendations.*

Clause 7 stand part.

Amendment 13, in clause 8, page 4, line 37, at end insert

“including agreed support measures for those who are evidently making the transition away from paramilitarism;”

*This amendment seeks to prevent a possible tension between two parts of the Undertaking, which may be interpreted divergently.*

Amendment 16, page 4, line 40, after “with” insert “others, including”

Amendment 14, page 5, line 1, leave out

“to support those who are determined to make the transition away from paramilitarism;”

*See Member’s explanatory statement to amendment 13.*

Amendment 6, page 5, line 11, at end insert—

“(5) Standing orders must provide for a process for investigating any alleged breach of the undertaking by any member of the Assembly and for determining whether the undertaking has been breached.

(5A) Standing orders must provide for sanctions that shall apply to any member of the Assembly who has been found to breach the terms of the undertaking.”

*This amendment requires the Northern Ireland Assembly to have an enforcement process, comprising investigation, determination and penalty, in order to ensure compliance with the terms of the statutory undertaking by members of the Assembly.*

Amendment 15, page 5, line 16, at end insert—

“(2) In Northern Ireland, the precepts and commitments of the Undertaking by Members shall be deemed to be additional to, and having the same status as, the Nolan principles (or such successor principles as may be adopted).

(3) ‘The Nolan principles’ means the seven general principles of public life set out in the First Report of the Committee on Standards in Public Life (Cm 2850).”

*This amendment seeks to make provision for embedding the terms and spirit of the Undertaking by Members within the standards in public life in Northern Ireland and thus applicable to councillors, MPs and non-elected public offices.*

Amendment 17, page 5, line 16, at end insert—

“( ) The Northern Ireland Assembly Commissioner for Standards—

- (a) will receive any complaints of any breach of the undertaking by members, and may take whatever action in regard to that complaint deemed appropriate, which may include investigating, resolving or publishing conclusions on the outcome of any complaint.
- (b) may engage the services of a Pledge Adjudicator, as appointed by the Northern Ireland Commissioner for Complaints, to duly consider and examine any complaint of a breach of the Undertaking by members and to report any relevant findings or recommendations to the Northern Ireland Assembly Commissioner for Standards.”

*This amendment makes provision for the Northern Ireland Assembly Commissioner for Standards to receive complaints regarding breaches of the Undertaking by Members and to take any action he deems fit.*

Clause 8 stand part.

That schedule 1 be the First schedule to the Bill.

Government amendments 4 and 5.

That schedule 2 be the Second schedule to the Bill.

**Mr Wallace:** I will speak to clauses 6, 7 and 8 and the related schedules, which extend the time available for the formation of the Executive after an election and provide for important commitments by Ministers and Members of the Legislative Assembly on tackling paramilitarism. I will also make a few remarks about the amendments in this group and I look forward to hearing the statements of the hon. Members who have proposed them.

Clause 6(1) amends the Northern Ireland Act 1998 to allow 14 rather than seven days for the allocation of ministerial positions in the Executive after the first meeting of the Assembly following an election. The proposed extension will allow the parties more time to agree a programme for government on a cross-party basis prior to the allocation of ministerial positions. That commitment first appeared in the 2014 Stormont House agreement and was reaffirmed in the recent “Fresh Start” agreement.

Schedule 1 makes transitional provision for the upcoming Assembly elections in May. Ordinarily, Assembly Standing Orders would require that ministerial posts are filled within seven days of the creation of a new Department. Schedule 1 makes it clear that where the event coincides with the period following the forthcoming election before the allocation of Ministers to Executive positions, the 14-day time limit for the formation of the Executive takes precedence. That will ensure that the period for the appointment of ministerial offices following the next Assembly election will not be inadvertently shortened as a result of changes flowing from the Assembly’s Departments Bill. I hope that the extension in time for ministerial appointments will provide helpful flexibility to all political parties in Northern Ireland involved in the formation of the Executive on the basis of a shared programme for Government following the upcoming elections and all future elections.

Clause 7, in line with the “Fresh Start” agreement, amends the pledge of office that all Northern Ireland Executive Ministers are required to affirm before taking up ministerial office. The clause inserts seven new commitments into the pledge. These were set out in the “Fresh Start” agreement, and the wording for the pledge faithfully reflects the agreement. The commitments build on existing principles of support for the rule of law and reflect a collective political determination to achieve a society free of paramilitarism. In the “Fresh Start” agreement, the parties agreed not simply to a passive acceptance of the values set out in the amendment to the pledge, but to an active fulfilment of them. The clause enshrines these political commitments in the pledge of office for Northern Ireland Executive Ministers through an amendment to the Northern Ireland Act 1998.

I now turn to amendments 8 and 9. My remarks apply equally to amendments 13 and 14, which seek to make the same changes to clause 8 on the new undertakings

for MLAs. I will say more about them shortly. The pledge as drafted faithfully reflects the wording of the “Fresh Start” agreement. I understand there is some concern about a perceived contradiction in the wording of the pledge and the undertaking as drafted. I hope to assure hon. Members that that is not the case. I do not think the wording needs to be changed. I agree that there can be no excuse for supporting paramilitary activity, but a transition away from paramilitarism can be achieved only with effective political engagement in communities. I do not believe there is any contradiction between taking a firm stance against paramilitary activity and supporting groups transitioning away from that activity. To encourage such a move is consistent with the other commitments required from Ministers and MLAs under clauses 6 to 8, such as the commitment to challenge paramilitary attempts to control communities and associated criminality.

Politicians need, as ever, to ensure that their engagements are in line with the responsibilities of their office, and those engagements must be in keeping with the commitments contained in the agreement and in the Bill. Furthermore, the “Fresh Start” agreement represents a collective political agreement by the Northern Ireland Executive and the UK and Irish Governments. The wording that was agreed was carefully constructed, and it demonstrates an important and symbolic political commitment to ending the influence of paramilitarism in Northern Ireland. Changing the structure and substance of the commitments, as proposed in these amendments, would unpick that political agreement.

I understand from the explanatory statement that amendment 10 is intended to refer to paragraph (f), rather than paragraph (e), of the existing pledge of office in schedule 4 to the Northern Ireland Act 1998:

“to support, and act in accordance with, all decisions of the Executive Committee and Assembly”.

I do not agree—nor do the Government—that there is any need to caveat one part of the pledge with another. The pledge will be read as a whole and, taken as a whole, the pledge represents a binding commitment by Executive Ministers to operate within the structures of the Executive Committee and the Assembly, and to accept no outside influence on their political activities. In any event, changing the substance of these commitments, as proposed in the amendment, would unpick the carefully constructed political agreement reached through the “Fresh Start” agreement.

On amendment 11, the arrangements for the First Minister and Deputy First Minister to affirm the terms of the pledge within specified time limits are set out in the Standing Orders of the Northern Ireland Assembly. The Bill, as drafted, makes no change to those arrangements. I agree that the pledge of office is of great importance, particularly for the Ministers who will lead the Executive, but I do not agree that there is any need to require the pledge to be read out orally in full in front of the Assembly. The Belfast agreement commits that the First Minister and Deputy First Minister will affirm the terms of the pledge of office, and that is exactly what the existing provision in the Northern Ireland Act 1998 requires. The changes to the ministerial pledge of office introduced by clause 7 flow directly from the “Fresh Start” agreement, but the proposed amendment would amend the process by which the terms of the pledge are affirmed by the First Minister

and Deputy First Minister. In the talks that led to the “Fresh Start” agreement, there was no political consensus on making any additional changes to the existing process for affirming the terms of the pledge.

On amendment 12, the commitments in the pledge reflect the firm resolution of the Northern Ireland parties in the “Fresh Start” agreement to end the influence of paramilitarism in Northern Ireland. I am confident that Northern Ireland Ministers will uphold the terms of the enhanced pledge as they work collectively to achieve a society free of paramilitarism. There are already mechanisms in place that allow the Assembly to deal with breaches of the ministerial pledge by censuring a Minister, reducing their salary or even removing them from office. In addition, Ministers can be held accountable by judicial review in the courts for an alleged breach of the pledge of office. The Bill makes no changes to those existing measures.

The intended effect of amendment 12 was not dealt with under the “Fresh Start” agreement, and these are not therefore matters to be settled under this Bill. Should the Assembly wish to bring matters about alleged breaches of the pledge within the remit of the Northern Ireland Commissioner for Complaints, the Northern Ireland Assembly could do so, but that could clearly be done only on the basis of cross-community consensus on such a measure. Furthermore, it would be very unusual to make a change of the kind proposed in the amendment without cross-community consensus in Northern Ireland, and there is no such consensus at present.

Clause 8 and schedule 2, in line with the “Fresh Start” agreement, make provision for a new undertaking to be given by all Members of the Northern Ireland Assembly. The undertaking for MLAs is based on the same seven commitments on tackling paramilitarism that have been added to the pledge of office for Ministers. For the first time, Members will have to give the undertaking before they can participate in Assembly proceedings or receive any of the rights or privileges enjoyed by Members who have taken their seat. The Northern Ireland Act prohibits the Assembly from requiring its Members to make an oath or declaration as a condition of office. It would not be possible for the Assembly to implement this “Fresh Start” commitment without Westminster legislation to introduce the undertaking. Schedule 2 makes transitional provision for the procedure for giving the undertaking after the Assembly election in May 2016 only. After that, the procedure will be set out in the Assembly’s Standing Orders.

There are two minor Government amendments to schedule 2—amendments 4 and 5. Under existing law, the Speaker of the Northern Ireland Assembly remains in office after its dissolution and may chair the first meeting of the new Assembly, even if they are not a Member of it. The amendments ensure that an outgoing Speaker who has not been re-elected to the Assembly can determine the transitional procedure for the new undertaking for MLAs while chairing the first meeting of the new Assembly.

Amendments 6 and 17 propose changes to the way that the Assembly holds its Members to account for adherence to the new undertaking. Amendment 6 would require the Assembly to introduce a sanctions mechanism, and amendment 17 proposes that oversight should fall to the Northern Ireland Assembly Commissioner

for Standards. The Assembly already has the power to introduce sanctions for breach of the undertaking by Members, should it consider that such sanctions are warranted. There are established mechanisms for holding MLAs to account for their adherence to the Assembly code of conduct through the Assembly’s Committee on Standards and Privileges and the independent Commissioner for Standards. There is considerable value in the Assembly, not this House, determining how MLAs should be held to account for any breaches of the new undertaking, in line with the present arrangements for the scrutiny of MLAs. Any changes would of course need to be built on cross-community support in the Assembly. I believe it is right that Assembly Members should be subject to scrutiny for their conduct, and I encourage the Assembly to consider carefully how that might be achieved.

On amendment 15, there was no commitment under the “Fresh Start” agreement for the pledge and the undertaking to bind any persons other than Ministers and MLAs respectively. While there may be merit in encouraging all those holding public office to follow the example set by Northern Ireland’s Assembly Members and abide by the spirit of the undertaking, any move to make a binding requirement on a wider group of public officials would require political and cross-community consensus. There is currently no such consensus.

Members of this House will be interested to note that local councillors in Northern Ireland are already required under law to make a declaration against terrorism before they can validly stand for election locally. They are also required to make a further declaration regarding the standards of conduct they will be guided by in office before they can so act.

On amendment 16, the undertaking as drafted in clause 8 faithfully reflects the wording in the “Fresh Start” agreement in a way that is sufficiently certain for the purposes of this legislation. On Second Reading, hon. Members pointed to the need for MLAs to work with a wide range of people, in addition to other Assembly Members, to achieve the disbandment of paramilitary organisations. I agree that this important task will require MLAs, and indeed political parties as a whole, to work with stakeholders as well as their Assembly colleagues, but the commitment as drafted does not limit the ability of MLAs to do so. The other commitments support an holistic approach to this task—for example, the commitment to support those who are determined to make the transition away from paramilitarism is likely, in practice, to require MLAs to work with other stakeholders. I understand the sentiment behind the amendment, but I do not believe that any amendment is necessary to achieve it. I believe it makes sense for an undertaking by MLAs, made as they are taking their Assembly seats, to refer to working with their Assembly colleagues.

I look forward to hearing hon. Members’ contributions on the issues. For the reasons I have set out, I urge them not to press their amendments.

**Nigel Mills:** May I ask the Minister a slightly complicated drafting question? I cannot see how the pledge and the undertaking in clauses 7 and 8 are restricted only to paramilitarism in relation to Northern Ireland. It may be a bit of an onerous duty to expect people to challenge all paramilitary activity anywhere in the world. If a

[Nigel Mills]

Member of the Assembly expressed support for the peshmerga or the Free Syrian Army, which are probably paramilitaries under any natural definition, they would face some kind of sanction. Can the Minister point to where it states in the Bill or in the Northern Ireland Act 1998 that the restrictions apply only to activity related to Northern Ireland?

**Mr Wallace:** I think the best solution is for me to write to my hon. Friend on that technical question. I do not think that anyone in the United Kingdom, or in any democracy, would propose supporting paramilitaries, be they here or abroad.

2 pm

**Lady Hermon:** It is good to serve under your chairmanship, Sir Edward, while we discuss this important Bill, and I will say now that unless the Minister gives me a satisfactory reply, I am minded to divide the Committee on amendment 6.

Amendment 6 strives radically to improve clause 8, and I cannot believe that the Minister does not think that that is necessary—the clause certainly needs to be radically improved. We have just spent at least an hour in a useful debate on the establishment of yet another commission in Northern Ireland, namely the independent reporting commission. I am delighted that under clause 2, the primary objective of that commission will be to “promote progress towards ending paramilitary activity connected with Northern Ireland.”

It is long overdue for the people of Northern Ireland to be rid of the scourge of paramilitary activity. They will be delighted with that commission when it is established, and will have confidence in it doing a good job.

On Second Reading, the Secretary of State said something important about the Stormont House agreement, which the Minister has cited regularly in his opening remarks. She stated that that agreement

“places fresh obligations on Northern Ireland’s political representatives to work together with determination to rid society of paramilitary activity and groups.—[*Official Report*, 22 February 2016; Vol. 606, c. 70.]

I say “hear hear” to that.

As the Minister rightly explained, clause 8 introduces an undertaking that all MLAs must give before they can participate in any of the Assembly’s proceedings, and as drafted, it goes to great lengths to set out the terms of that undertaking. Among other things, it means that before an MLA can participate in any Assembly proceedings, they must pledge to support the rule of law and to challenge all paramilitary activity and associated criminality. Those are two of the detailed provisions in that new undertaking.

Having gone to such extraordinary lengths to draft that new undertaking to comply with the Stormont House agreement, the glaring omission—we cannot possibly allow this to get through the Committee unamended—is that no provisions refer to Standing Orders that will investigate alleged breaches of that undertaking, and no Standing Orders will impose sanctions on MLAs who are found to be guilty of such a breach. Let us hope that no MLA would ever stoop so low as to breach their own undertaking, but if such an allegation is made it must be investigated, and if the MLA is found to be guilty, there must be sanctions.

The current drafting of clause 8(1)(2) is interesting, because we are already quite happy that:

“Standing Orders shall provide for the procedure for giving the undertaking.”

We are a sovereign Parliament—how often have I heard in recent weeks that sovereignty belongs to this Parliament—and the beauty of my amendment is that it simply adds to what we already have. Standing Orders will be introduced by the Assembly to investigate alleged breaches of the undertaking by MLAs, and to impose sanctions on MLAs who are in breach of that undertaking.

When I made that suggestion on Second Reading, the Secretary of State said in response to an intervention about sanctions:

“In terms of internal matters of discipline within the Assembly, that really is a matter for the Assembly itself to determine.”—[*Official Report*, 22 February 2016; Vol. 606, c. 72.]

**Sammy Wilson:** Does the hon. Lady accept that the only sanction in the Bill is that those who do not give the undertaking in the first place cannot participate in the Assembly? There is not even a limit on how much time can pass before they can be expelled. In the light of some of the comments recently made by Sinn Féin, which said that republicans could use violence at another time, it is important that MLAs make that undertaking in the Stormont House agreement and are kept to it. If they make subsequent statements, there should be a process for investigating that and deciding what punishment should be imposed.

**Lady Hermon:** That is absolutely correct. The glaring omission—I am repeating myself, but it is worth repetition—is that although we have introduced a new undertaking for MLAs, that is not the same as the Minister’s pledge of office. That has been extended, and the Minister rightly read out the sanctions for Ministers who breach their pledge. This undertaking is completely new for all MLAs, and it is the duty of this Committee to ensure that when the Bill leaves this place, it is fit for purpose. The Bill has been introduced to get rid of paramilitary activity and associated criminality, which has been the scourge of Northern Ireland for years and years. For goodness’ sake, let us do it right!

The beauty of my amendment is that it does not interfere with the domestic arrangements and internal workings of the Assembly. It simply ensures that Standing Orders will be introduced by the Assembly, and that there will be a process of investigation and sanctions for a breach of the undertaking. That is not interfering with the Assembly’s internal discipline. That is my amendment, and if the Minister is unable to give me a satisfactory reassurance on that issue at the end of the debate, I will push the amendment to a vote.

**Sammy Wilson:** Does the hon. Lady accept that there could be general frustration, because the Bill requires MLAs to give an undertaking, but if they breach that undertaking and there are no sanctions, people will say, “What is the point of MLAs giving those undertakings?” If anything, it will generate more anger, rather than assuring people that those who are elected and serve in the Assembly are supporting democratic means.

**Lady Hermon:** The hon. Gentleman is absolutely right about that. In introducing this group, the Minister referred to the fact that we currently do not have

cross-community support for various Standing Orders. It is therefore the duty of this House today to make sure that when this legislation leaves this place, it is fit for purpose, and so it must include a requirement that Standing Orders are introduced to address both sanctions and the investigation of alleged—

**Tom Elliott:** I support the hon. Lady's amendment and her thought process on this matter. Does she agree that it seems to have been a gap in the "Fresh Start" agreement that none of this was dealt with in that process?

**Lady Hermon:** I am grateful to the hon. Gentleman for that. One has to ask why any references to sanctions were left out of the "Fresh Start" agreement. The fact that sanctions were not mentioned in that may well suit a political party—Sinn Féin. I am so weary of having spent my entire life having to deal with paramilitary activity. He made reference at the beginning of his contribution on the earlier group to Lisa Dorrian, the young lady in my constituency who was murdered and disappeared by those with loyalist paramilitary connections. Both loyalist and republican paramilitaries are a scourge for the rest of the community. I am very pleased that he is supporting my amendments this afternoon, because as an independent, I am totally reliant on other colleagues to provide an additional Teller at the vote and I may be calling on him later.

**Jim Shannon:** Lisa Dorrian disappeared from Ballyhalbert in my constituency. Searches took place in Comber, also in my constituency, but unfortunately nothing as to where she might have been buried was found. But there are people in society who are very aware of where she is, and some of those people have been named in the press. May I encourage the hon. Lady to make this statement, which I will also be making: there are people who have information about this, so let them come to the police, tell them where the body is and give Lisa Dorrian's family the peace of mind that they need?

**Lady Hermon:** I am grateful to the hon. Gentleman for that intervention, as he is right in everything he has said. Lisa Dorrian, a young lady in her early 20s, was disappeared and murdered 11 years ago, and her family have never had the peace of mind that comes with a Christian burial. Her remains have never been found, despite the valiant efforts of the PSNI—and I put that on the record. There are others who were disappeared by the IRA, such as Columba McVeigh, a young man from Donaghmore whose remains have never been found. There is pain and grief on all sides. As I say, paramilitarism has been a dreadful scourge across the face of Northern Ireland for far, far too long. I have the highest regard for this Minister, so when he gets up I do not want to hear the Stormont House agreement cited as a reason why we cannot put into this Bill this afternoon a requirement that Standing Orders are introduced by the Assembly. No detail is being provided about the sanctions or about the investigative procedure in respect of a breach of the undertaking. The very least we can do for the people of Northern Ireland, including the grieving parents of Lisa Dorrian and Columba McVeigh, although his mother passed away some time ago—

**Mr Wallace:** Will the hon. Lady give way?

**Lady Hermon:** Is the Minister about to concede? That is excellent and I will give way.

**Mr Wallace:** I wouldn't hold your breath. I hear what the hon. Lady is saying, and I am not going to refer to the "Fresh Start" agreement, but I must ask why she feels it is appropriate for this House to impose on a devolved institution and prescribe to it Standing Orders within that institution? We would not be doing that for Holyrood or for Cardiff, so why does she think it would be appropriate in this case for Westminster to impose that on the Assembly, given that under Standing Order 69B it could make provision to deal with all of this?

2.15 pm

**Lady Hermon:** May I just ask the Minister to pick up the Bill and turn to page 5? As I have mentioned, the Bill already sets the precedent here, as in clause 8 it clearly states:

"Standing orders shall provide for the procedure for giving the undertaking."

The Bill has therefore set the precedent; we are quite prepared to oblige the Assembly to introduce Standing Orders to provide for a procedure for this undertaking. That is why my amendments are so persuasive and why I am hopeful that Her Majesty's Opposition—I am looking to them—will be supporting me this afternoon. I know that other colleagues are going to support me on this. The precedent has already been set, it is in black and white in the Bill and my amendments simply add further Standing Orders, without any detail about the sanctions or about the investigatory procedure.

**Sammy Wilson:** Does the hon. Lady accept that the Bill states not only that Standing Orders "shall" do some things, but that they shall not do some things, as they "may not specify a day or period of time after which members are prohibited from giving the undertaking"?

This House is already telling the Assembly what it can and cannot put in Standing Orders, so why not include something about sanctions?

**Lady Hermon:** I am grateful for that helpful intervention, as ever, from the hon. Gentleman. I am sure the Minister and the Government would not like to be accused of being inconsistent. We have to be consistent here. A consistent approach has to be taken to the eradication, once and for all, of paramilitary activity and all its criminality in Northern Ireland. The Minister will have read this Bill many times and when he carefully reads it again, he will know that the precedent has already been set. We in this House are the sovereign Parliament, thank goodness, and just as a show of sovereignty the Standing Orders are already provided for in several clauses. My amendments simply extend further Standing Orders, without any detail about the sanctions or the investigatory procedure.

On that, I will bring my remarks to a close, having warned the Minister that I will push my amendment to a vote at the end, with the help of volunteers to be Tellers.

**Ms Ritchie:** A number of Members, including the hon. Member for North Down (Lady Hermon), who raises this issue again through her amendment, have asked questions about the content and policing of the

[Ms Margaret Ritchie]

pledge and undertaking. That was done on Second Reading by my hon. Friend the Member for Foyle (Mark Durkan), as well as by the hon. Lady, who has enunciated her views on the principle again today.

I shall speak to my party's amendments. Amendment 10 refers to paragraph (e) in schedule 4 to the Northern Ireland Act 1998 and clarifies that Ministers are already subject to a requirement to act in accordance with all decisions made by the Executive and the Assembly. Amendment 16 deals with clause 8, inserting the words "others, including" in the reference to MLAs. The provision might seem small, but it is central to the whole-community approach that will be needed to tackle paramilitary activity. It would compel Members of the Assembly to work with civic society in Northern Ireland, reflecting our approach during the Stormont House agreement of having that community approach to ridding Northern Ireland of paramilitarism.

I agree with the hon. Lady that paramilitarism has been a scourge and a cancer in our society, right across the community, and we want rid of it, but we also believe that there must be adherence to the best democratic principles within our elected institutions. Our reference in amendment 15 to the Nolan principles would ensure that this progress and political action on paramilitarism extends to MPs, councillors and all in public office. Having the First Ministers make their pledge orally at a sitting of the Assembly would publicise a cross-executive commitment to a society free from the blight of paramilitarism. In our papers for the Stormont House talks, we advocated a community approach, stating:

"Political parties ought to be showing coherent and consistent shared standards which recognise and repudiate nefarious paramilitary interests and involvements. This should reflect a shared approach which is about rooting out paramilitarism and its trace activities, not just singling out particular groups or given parties."

Our amendments would clarify the terms of the pledge and undertaking and avoid further misinterpretation or a tension between different parts of the pledge and undertaking. As I have said previously, the duty in the Bill to

"support those who are determined to make the transition away from paramilitarism"

is vague and could be misinterpreted as supporting someone or a group that is determined to someday move away from paramilitarism. The SDLP is in favour of support for transition away from paramilitarism, but wants to ensure that that cannot be used to cover tolerance for paramilitary activity, for which there should be no tolerance. Combining what are currently two distinct precepts of the pledge and undertaking into one would reduce that risk.

I have direct experience of this issue. As a former Minister in the Northern Ireland Executive, on Tuesday 16 October 2007—I remember the date exactly—I cut off funding to the conflict transformation initiative following advice from the then Chief Constable, deputy Chief Constable and others that the Ulster Defence Association was engaging in criminality. Maintaining that funding would have been construed as supporting paramilitarism, not transition, however determined the UDA was to do that someday.

Like the hon. Member for North Down, we have concerns about the policing of the pledge and undertaking. Any progress on tackling paramilitary activity is undermined

by any suggestion that there are no consequences for non-compliance. I note that the hon. Member for East Antrim (Sammy Wilson) was making soundings in our direction. I hope he will see fit to support our amendments on sanctions in relation to the pledge and undertaking.

We envisage that the Northern Ireland Commissioner for Complaints and the Northern Ireland Assembly Commissioner for Standards would receive any complaints relating to breaches of the pledge and undertaking. Both could avail themselves of the services of a pledge adjudicator on a case-by-case basis, if that was felt to be appropriate. The whole purpose of our amendments is to ensure best compliance and conformity with good democratic principles, and that we have a total move away from the scourge of paramilitarism that has been in Northern Ireland society for far too long.

**Mr Jeffrey M. Donaldson:** We support amendment 6, which was tabled by the hon. Member for North Down (Lady Hermon). There is much merit in what she says. When we ask Members of a legislature to give an undertaking that they will behave in a certain way and abide by certain principles, surely there should be some sanction when they breach those principles and their undertaking. We are not asking hon. Members—neither is the hon. Lady—to prescribe what the sanctions should be. We merely want to ensure, as is our duty as the sovereign Parliament, that the Standing Orders of the Northern Ireland Assembly reflect the need for such sanctions. It is our duty to legislate for this element of the Stormont agreement, and we believe that what the hon. Lady has proposed is sensible and prudent. This is a question of not just the politics of all this, but public confidence in the Northern Ireland Assembly, its operation and those who are elected to it.

We talk about a fresh start. We have Assembly elections on 5 May. The Members who will be elected to the Assembly for the first time after that election will be required to make this undertaking. I think that that is the appropriate moment when the Assembly should be saying that we can have no more of a situation in which some people may have been ambivalent in their attitude towards paramilitarism in the past. Everyone has to be very clear about where they stand and it is important to have the undertaking. It is also important, for public confidence and for the accountability of our public representatives, to have a sanction. It is for the Assembly to prescribe that sanction, but it is for this House to ensure that the requirement for that is in Standing Orders. We will support the hon. Lady's amendment.

**Mark Durkan:** As my hon. Friend the Member for South Down (Ms Ritchie) said, the SDLP has tabled several amendments on this issue. I take on board what the Minister said in an attempt to give a "prebuttal" of our amendments, and I will come on to amendment 6, which was tabled by the hon. Member for North Down (Lady Hermon), when I speak to clause 8.

We have tabled amendments 8 to 12 to clause 7. The Minister tried to say there would be no tension in interpretation between different parts of the proposed pledge of office. Proposed new sub-paragraphs (cf) and (cg) of schedule 4 to the Northern Ireland Act 1998—  
"to work collectively with the other members of the Executive Committee to achieve a society free of paramilitarism"

and

“to challenge all paramilitary activity and associated criminality”—  
could well find themselves in tension with another Minister’s  
understanding of proposed new sub-paragraph (cj), which  
is to

“support those who are determined to make the transition away  
from paramilitarism.”

My hon. Friend the Member for South Down described  
the situation in which she found herself. She tried, as  
stated in proposed sub-paragraph (cf), to

“work collectively with other members of the Executive...to  
achieve a society free of paramilitarism”,

and she was told at that time, “No, it’s in your Department.  
You do your own thing. You make that decision.” She  
then acted on the basis of, as in proposed sub-paragraph  
(cg), challenging

“all paramilitary activity and associated criminality”

only to find herself undermined by other members of  
the Executive, who said that they were actually discharging  
the requirement of proposed sub-paragraph (cj) as  
supporting

“those who are determined to make the transition away from  
paramilitarism”.

That issue ended up in the courts, so there is already  
proven experience of exactly the contradictions and  
tensions that can exist between these things when they  
are different bullet points that can be quoted separately.  
This is a recipe for confusion, nonsense and obfuscation.

We also need to recognise that people will interpret  
various parts of the pledge differently. Will the Minister  
tell us whether denying something as paramilitary activity  
breaches the line in the pledge to

“challenge all paramilitary activity and associated criminality”?

When someone turns around and says, “Oh no, so and  
so is not engaged in paramilitary activity or associated  
criminality; they are a good republican,” does that  
mean they are in breach of proposed sub-paragraph  
(cg)? Is that a failure to challenge? Is denial a failure to  
challenge, or can denial exist alongside the commitment  
to challenge all paramilitary activity, because someone  
can say that as paramilitary activity and associated  
criminality is not defined by anybody else, it is what  
anybody wants to define it to be? This touches on a  
point made earlier by the hon. Member for South  
Antrim (Danny Kinahan) on the earlier group.

Clause 7 is wide open for misinterpretation and  
misapplication, which will lead to people being scandalised.  
It will not avoid us being in exactly the sort of crisis  
situation we had last year. In the aftermath of a horrible  
crime and comments that the Chief Constable could  
not avoid making, we then had political difficulties. The  
terms of the pledge of office and the undertaking are  
meant to avoid our being back in that situation, but  
they will clearly fail to do so. That is why we have tabled  
our amendments.

2.30 pm

Amendment 8 would ensure better reconciliation between  
paragraphs (cf) and (cj) so that the pledge would read:

“to work collectively with the other members of the Executive  
Committee to achieve a society free of paramilitarism...including  
agreed support measures for those who are evidently making the  
transition away from paramilitarism”.

That recognises that the agreed support mechanisms  
would be those agreed by the Executive. It would not be  
people making up their own minds about what they  
were doing or how they were to interpret the words. The  
amendment seems solid and cogent.

The Minister pointed out an error in our printed  
amendment 10, in that it refers to “paragraph (e)”, but  
that is because we went back to the original 1998 Act,  
which of course was changed, including by the St Andrew’s  
agreement legislation. The aim of the amendment was  
to ensure that the commitment in the pledge of office,  
taken by Ministers, to act in accordance with all decisions  
of the Executive Committee and the Assembly was not  
trumped or qualified by paragraph (ck), which reads:

“to accept no authority, direction or control on my political  
activities other than my democratic mandate alongside my own  
personal and party judgment”.

Anyone could easily say that, in defying or failing to  
abide by a decision of the Executive, they were acting,  
in good conscience, in accordance with paragraph (ck).  
Why leave ourselves with such a difficulty? Our amendment  
would simply qualify paragraph (ck) so that it could not  
be read in absence of the overall commitment to respect  
the decisions of the Executive Committee and Assembly.  
I cannot see where the Minister gets his argument  
against that.

Our amendments to clause 8 seek to make good  
issues similar to those addressed in our amendments to  
clause 7 on the pledge. There is no provision for how an  
alleged breach would be investigated, just as, currently,  
there is no clear mechanism for dealing with alleged  
breaches of the ministerial code, or any other breaches  
of the pledge of office. As the person who drafted the  
first terms of the pledge of office when we were negotiating  
the Good Friday agreement, I recognise that that has  
been a consistent dereliction ever since.

It has been recognised several times since by various  
First Ministers and Deputy First Ministers that something  
needs to be done to make good that gap, but we keep  
tripping over issues and concerns that only reopen the  
gap, so we never actually fill it. Our amendments might  
not be the perfect filler, but Members should not pretend  
that a serious gap does not exist. What does adding  
these fine but confusing, inconsistent and arguable words  
achieve, given that there is no mechanism to investigate  
or to recommend that action be taken as a result of an  
investigation?

Our amendment 12 tries to make that good by providing  
that the Northern Ireland Commissioner for Complaints—  
more frequently known as the Ombudsman—would  
receive any complaints and by giving them the power to  
appoint a pledge adjudicator. It might well be that some  
of the breaches need somebody with more legal competence  
or experience, so the amendment would provide for the  
commissioner to make such an appointment, in consultation  
with the Lord Chief Justice for Northern Ireland.

In respect of the pledge, we see the gap that the hon.  
Member for North Down talked about in respect of the  
undertaking in clause 8, and it was clear that the hon.  
Member for East Antrim (Sammy Wilson) agreed with  
that logic. If we recognise the gap in the undertaking,  
we should also recognise the serious gap in the pledge.  
There are people who have their own version of what  
constitutes paramilitary activity. Hon. Members have  
referred to past murders, such as those of Robert  
McCartney and Paul Quinn.

There were people who ended up as Ministers or senior MLAs after the Executive was restored who tried to tell us that the IRA had no involvement in Robert McCartney's murder and that it was an unfortunate example of knife culture. They were in complete denial. We also had the denial of the IRA's involvement in Paul Quinn's murder, as well as all the other denials. Let us recognise that there are issues. We hope that such issues and concerns do not arise again, but we cannot pretend that they will not; otherwise, why would we be passing the Bill in the first place? Why would we be having these pledges and undertakings if we thought the issues had disappeared?

Our amendment 11 to clause 7 would require the pledge of office to be taken orally in front of the Assembly by the First Minister and Deputy First Minister, as was the original intention when we negotiated and wrote the agreement. It was intended that the First Minister and Deputy First Minister, who were then to be elected jointly by the Assembly, would take the pledge of office together. That was why some parties supported the concept of the pledge of office—they liked what might be called the constitutional liturgy of their taking a joint pledge of office that referred unambiguously to serving all the people of Northern Ireland equally, along with the other principles.

It was for some other convenience—more a bureaucratic or procedural convenience—that a version was drawn up with words that allowed the First Minister and Deputy First Minister simply to affirm the terms of the pledge of office, as in the 1998 Act. I see no reason why there should not be a wider commitment. It would be more helpful, particularly given that we keep adding terms to the pledge of office. It would do no harm if they were actually vocalised. If that happened, people might remember and register them more and have more input.

The amendments to clause 8 take up parallel issues to those raised in our amendments to clause 7. They address and try to resolve the inconsistencies between the wording of different parts of the undertaking, not least between the sixth part and some of the other parts. Consistent with the whole community approach, we have tried to extend the wording so that the undertaking applies not just to working together with other Assembly Members but to working with others. Assembly Members need to work with councillors, MPs and other representatives in the community if we are serious about confronting paramilitarism, working together and supporting those making a transition. The idea that that falls to Assembly Members alone is nonsense. Again, our amendments are consistent with what we have said.

It is a bit much for the Minister to say, "We cannot have any amendments, because there was a consensus in the Fresh Start negotiations". There was not a consensus for what we have ended up with in the "Fresh Start" agreement. He tells us that something on which there was no consensus was agreed as though there was a consensus. We are trying to fill in gaps that even DUP Members, who support the "Fresh Start" agreement, now see in the Bill. Perhaps the Bill does need to be improved. There is a consensus on these Benches that remedial work is needed, but still the Minister waves his hands and says, "No, there is no consensus for it", while ignoring the consensus emerging on at least some of these points.

Our amendment 17 would provide for the Assembly Commissioner for Standards to be the point of reference for complaints about the undertaking and allow the commissioner, if they want, to appoint somebody with particular experience to deal with complaints and to use the facility of the pledge adjudicator, as appointed by the Commissioner for Complaints. If there were complaints about the undertaking or the pledge, there would probably be parallel or rival complaints, and this facility would allow that to be taken care of and avoid separate and rival investigations into issues deemed to be relevant or paired.

That would help us to go forward. It is about making good the gap that the hon. Member for East Antrim talked about when he intervened on the hon. Member for North Down. There is no way of ensuring a standard of adherence to the undertaking, no way of investigating breaches, nowhere to take a complaint or anything else. That is where I have some difficulty with the proposal made by the hon. Member for North Down that the answer lies in Standing Orders. If there is a Division, I will support her proposal purely to show the deficiency of the Bill and the clause, but I do not believe that the answer lies in Standing Orders.

Standing Orders are about the conduct of business and proceedings in the House. They are not normally about investigating things that have happened outside the House or allegations of various activities or consorting with people engaged in various activities. I am not sure that dealing with investigations and sanctions is normally the stuff of Standing Orders, so I do not think that the proposal best answers the issue. That is why we have tried to answer it differently in our amendments.

**Sammy Wilson:** Does the hon. Gentleman accept that, where Standing Orders set standards, the Assembly commissioner has something to work on, so if a complaint is made about whether someone has breached the pledge, there is at least a basis on which an investigation can take place?

**Mark Durkan:** Yes, I fully accept that, and the clause says that Standing Orders will lay down provision on how the undertaking is made. That is why it was nonsensical of the Minister to argue that we should not set things down in the Assembly's Standing Orders, when that is precisely what the clause will do. The hon. Member for East Antrim seems to assume that the Assembly Commissioner for Standards would deal with the complaint, so perhaps he sees merit in our amendment that would ensure that someone could receive, consider and assess a complaint. Certainly, the more that those standards are explicit either in the Bill or in Standing Orders, the better; that is fine.

Of course the Assembly Commissioner for Standards does, among other things, address standards of public life. That is one reason why we have tabled amendment 15, to make it clear that the precepts and commitments in the undertaking would in effect be read alongside the Nolan principles, as part of the general standards of public life in Northern Ireland, so that MPs and councillors would be held to that standard. Let us remember that the commissioner deals with those issues separately and that we do not want to create inconsistencies where parties face allegations that their members said one thing at a council meeting and did something else as

MLAs and MPs. We would then get into all sorts of confusion about who is amenable to what standards. Let us create consistency and clarity of standards.

In previous debates, Members have raised issues about what councillors from my party have done in different instances, and we have raised instances about what other people have said or done, or who they have consorted with in other situations. This is about trying to get us all beyond that and trying to ensure that everyone in all parties knows what standards are required of them and then adheres to those standards. That is why we have tabled that series of amendments to make good serious deficiencies.

The other rich argument that came from the Minister was that he said that there should be no question of our trying to deal with breaches either of the undertaking or the pledge. In one instance, he said that, after all, the Assembly has the power to censure Ministers; but of course any attempt to censure Ministers on any grounds in the Assembly so far has ended up being vetoed under the petition of concern. He therefore points us to an alternative that is something of a dead end.

If we are serious about trying to resolve these issues and about trying to ensure that no untoward incident triggers the sort of crisis that had the institutions teetering on the brink, as they were in the later part of last year, we need to do better than the Bill, and the Minister needs to do better than come up with humbug, shallow arguments about the degree of consensus about the “Fresh Start” agreement, when it is already clear, even from what has been said from these Benches, that everyone knows that that is very limited.

**Danny Kinahan** (South Antrim) (UUP): I will try to be as quick as possible because we are trying to get through a lot. As a party, we fully support trying to move the Stormont House agreement forward and we support the principles in the Bill, and we totally abhor the paramilitaries, so we know where we are trying to go; but although we want to get there as quickly as possible, we have rushed this too quickly. We have two major problems that run through the amendment. The one that we have discussed at great length is the lack of sanctions, and the other is the lack of a definition of “paramilitaries”.

To answer the question that the hon. Member for Amber Valley (Nigel Mills) asked about other paramilitaries worldwide, when we go to the Falls Road, look at a wall there and see Basque and Colombian terrorists, Palestinians and others all being fêted, we realise that this is larger than the sovereignty of this Parliament, and that this Parliament needs to use its sovereignty to do its best. We need to look at those matters.

2.45 pm

On sanctions, we fully support the very good amendment tabled by the hon. Member for North Down (Lady Hermon). We really do need sanctions, and that is absolutely the right way to deal with the issue. I have notes—I will not go into them—on some five breaches by Ministers in Stormont and another four by MLAs breaking the regulations. Although they were deemed to be breaches, there were no sanctions. We need sanctions in place in time. Therefore, if we pass the Bill today, how do we get the Standing Orders written in time,

so that someone taking the pledge knows what the Standing Orders say? We need to be very quick; otherwise, this seems slightly pointless.

We sympathise with most of the amendments on paramilitaries. We would like to see those amendments made, because there are other tensions, most of which I went through when I spoke on Second Reading, about how to define a paramilitary. We want our MLAs to be able to work and have influence on paramilitaries, without being seen as supporting them or being challenged from either side. Of course, within that are the flag issues and all sorts of other things, so I am very concerned about where we are going on that.

I shall move on to an amendment that no one seems to have spoken about: the Government amendment that will get the Speaker to carry on in position. I find that slightly rich. We have a system where the Father of the House is normally the person who carries out that role and can do it perfectly well. The Government are arguing that we are sovereign but we must not impose things on the Assembly, but they are doing exactly that in trying to put the Speaker in charge. I would like to know more about why we are going down that route.

We want to see the Bill work. We want to see things get better in Northern Ireland, and I think that hon. Members have probably heard enough from me.

**Nigel Mills:** I will make a couple of brief remarks. I think the whole Committee wholeheartedly supports any effort to tackle paramilitarism. I think we would all agree that anyone who engages in or supports paramilitarism has no place in a democratic assembly, making and enforcing laws. I absolutely agree that all the sentiments in the oaths make sense.

Where I get a little concerned is when we start talking about investigating and sanctioning breaches. We must be careful about exactly what some of these words could involve. What we have in these undertakings are not entirely pledges not to do things. They are pledges to do things, so we get phrases such as,

“to challenge all paramilitary activity and associated criminality”.

I could be accused of breaching that undertaking because I have not sufficiently challenged something. What does challenge mean? Does it mean that I should verbally dispute the validity of something? Should I say that paramilitary activity is heinous and I have therefore met that pledge, or should I be out on the streets of Belfast, physically challenging that activity where I see it?

Equally, MLAs will undertake,

“to challenge paramilitary attempts to control communities”

and

“to work collectively with other members of the Assembly”.

I am not sure how we can have a sensible situation where someone is investigated because they have not quite worked collectively enough with other Members on something. Would that happen because they had been working independently, not collectively, and therefore that would not count, or because they had been working a bit collectively but not collectively enough? I am not sure how we go from an oath that sets out undertakings and beliefs to something that we could try to investigate and enforce.

The Oath we take in this place is to be loyal to Her Majesty the Queen and her successors, but I do not think that Members get taken to the standards board

[Nigel Mills]

because we have not quite been loyal enough to the Queen, or because something we have said has not been entirely consistent with the Oath. There is a separate code of conduct that we have to follow where the investigation of standards applies. We would not try to follow that from an oath. I am just not sure how the Members proposing the amendments could make the investigations and sanctions link to positive activities.

**Sammy Wilson:** First, we accept that if a pledge is made, there must be some way of measuring whether or not it has been lived up to. If it has not, there must be some way, by definition, of sanctioning someone for not doing so. Examples have been provided here today of how it is quite easy to work out whether or not someone has lived up to their pledge. If, for example, they make excuses for paramilitary activity or make excuses for people who have engaged in acts of violence, they are clearly not keeping to the pledge of office.

**Nigel Mills:** I entirely agree. Where someone says or does something that clearly contravenes the undertakings they have given, we should be able to investigate it and sanctions should be available. My slight worry is that the amendments might allow a complaint to be made that somebody had not sufficiently challenged all paramilitary activity—that they had not said enough times how heinous such activity is, or they might not have taken any physical action in the community, for example. I am not sure how it can be proved or enforced when somebody has not done something. That is my point. If we wanted a code of conduct that could be followed, it would have to be clear that people were prohibited from speaking or acting in any way in support of paramilitaries.

**Sammy Wilson:** Does the hon. Gentleman accept that if that were the case, the Assembly Commissioner, or whoever was making the adjudication, would be able to make a judgment about whether a complaint about the pledge of office was valid or not? It could be simply said, “Look, that is not what is meant by the pledge: it is not about the quantity; it is about whether someone should be condemned on the basis of support for paramilitary activity.”

**Nigel Mills:** I am sure that that could be said, but I am not sure whether that is set out in the amendments. We all know that such processes can be abused for partisan reasons, by people making scurrilous complaints that we know will never go anywhere, but which take up time and cause anxiety and spending.

Let me provide a further example. There is another pledge to support those who are determined to make the transition away from paramilitarism. There could be a complaint that somebody had not given sufficient support to those who wanted to move away from paramilitary activity. That would be a nonsense, because there could be many reasons why an individual might not have given that degree of support in that situation. What kind of support are they meant to be providing as an individual MLA? I think we need to be cautious about moving from a set of extremely well-meaning and well-intentioned objectives, such as enforcing

acceptable pledges and undertakings, and making them into a code of conduct that I believe we would struggle to enforce sensibly in this form.

**Stephen Pound:** The debate on this group all started so well. The Minister’s initial moves on timetabling were sensible and proportionate, and I believe would have been supported by the whole House. I think the key comments—these should be the leitmotif of this afternoon’s entire discussion—were about the creation of a society “free of paramilitarism”. That is the point we start from. That is where we want to go. It is the route to that desired state that we are discussing this afternoon.

We heard a tour de force from the hon. Member for North Down (Lady Hermon). Sometimes I gain the impression that hers is a multi-Member constituency, because it seems almost impossible that one person could sway the Committee so effectively—and not for the first time, either. I hope that the hon. Lady will allow me, on behalf of my colleagues and, I am sure, all of us, to say what an immensely impressive case she made.

Come what may, the Government have to reflect and consult and reconsider. We have heard too much evidence this afternoon for us simply to allow this matter to slide through. We have heard some immense detail. The hon. Member for North Down talked about the conflicts that arose during her ministerial period. This provides yet another reason why we need to examine the case somewhat further.

The right hon. Member for Lagan Valley (Mr Donaldson) described the amendment tabled by the hon. Member for North Down as sensible and prudent, while also touching on a vital point. The right hon. Gentleman talked about public confidence, which I believe is very much at the heart of the matter. We can argue about the niceties, about interpretation and about angels dancing on the head of a pin. We can go through this catechism and ask whether people adhere to this precisely or not, but ultimately, the issue of public confidence is immensely important. There cannot be an area in the politics and daily life of Northern Ireland where there is a greater need for public confidence than in the transition away from paramilitarism and violence towards the desired state that I referred to earlier.

The right hon. Member for Lagan Valley also talked about identifying an ambivalence in attitude, and that feeds into some of the comments made by the hon. Member for Amber Valley (Nigel Mills). There is a need for further finessing and interpretation. When the hon. Member for Foyle (Mark Durkan) went through the clauses of the Bill in detail, he put his finger on the fact that we are still not entirely clear about what many of them mean. The hon. Member for Fermanagh and South Tyrone (Tom Elliott) also referred to that.

On behalf of my colleagues on the Opposition side of the Chamber, I call on the Government to take cognisance of the strength, the power and the logic of the arguments that they have heard on the Floor of the House today, not just because of the strength of those arguments but because of the impact that the proposals will have on civic life in Northern Ireland. What has been said today cannot be unsaid, and what has been done cannot be undone. We have to recognise the impact of what we have heard this afternoon. The Government have our

entire support in this transition towards a good society and, as the SDLP put it when we debated an earlier amendment, a wholesome society.

**Jim Shannon:** I assume from what the hon. Gentleman is saying that we can rely on Labour's support for the amendment tabled by the hon. Member for North Down (Lady Hermon) .

**Stephen Pound:** Labour Members will not be voting with the Government. We will be abstaining on this question, in the hope that the Government will be able to reflect and consult further and more widely. In this case, more than any other, there is a need for further discussion and consultation. We cannot simply rely on this one being forced through on a majority. The argument that we have heard today is far too powerful and far too relevant to be voted away.

**Lady Hermon:** I have to register my deep disappointment in Her Majesty's official Opposition; I had expected better of them this afternoon. This is a very important debate for the people of Northern Ireland, who have had to live with paramilitary activity for so long. We would have it called terrorism, but we now define it as paramilitary activity. There is no difference between those people, however; they are terrorists by another name. I am deeply disappointed, and I would like the hon. Gentleman to explain the rationale for this decision by Her Majesty's Opposition. He gave the House some good reasons earlier, and there is consensus on these Benches, so will he tell us what legitimate justification he has for sitting on his hands? Forgive me for putting it like that, but that is effectively what he and his colleagues are going to do this afternoon, and it is quite disgraceful.

**Stephen Pound:** I accept the lash that the hon. Lady applies, and to a certain extent I deserve it. However, the point that my colleagues and I would make is that we have to look at this matter further and in greater depth. More consultation needs to be done and more discussion needs to be heard. We have heard ambivalence on both sides of the House today, and questions have been asked about interpretation. It is essential that we get this right. Heaven knows, when the hon. Lady refers to living under terrorism, I know what she means but I can never precisely understand it because, thanks be to God, I have not experienced it myself. However, I have immense respect and admiration for those who have experienced it, and I hope that they will allow Labour Members to say that we have to get this right today.

We have to discuss these matters further. If the Government are prepared to extend an olive branch, to make an effort to consult more widely and to understand that this is not the best way forward, it will be appropriate for us neither to support nor to oppose them on this matter. I am sorry if I appear to be sitting on my hands. I apologise profoundly to those people who have been making the right points, but I hope they will understand that what we have heard today is not entirely a Manichaean argument. There have been many areas of interpretation, and it is there that we need to go. We need to get this right. This is not a binary choice. This is something that has to be discussed further.

**Mr Wallace:** I shall be short, sharp and to the point. I have listened to the contributions today, and feel that I must take Members back to what the Bill is about,

which is to enable the "Fresh Start" agreement to be implemented in law. That is the basis on which we must draw the line of consensus. I have heard the arguments of the SDLP that the "Fresh Start" agreement was not really a consensus—that actually no one was massively behind it.

3 pm

The fact is that the consensus was achieved after dozens and dozens of meetings throughout the autumn between my right hon. Friend the Secretary of State, the First Minister, the Deputy First Minister and the other parties of Northern Ireland. That was the starting point.

In relation to this group of amendments, I have to refer hon. Members to paragraphs 2.6 and 2.7 of section A of the "Fresh Start" agreement, which is where the consensus was arrived at to allow us even to venture into changing the Standing Orders of the Northern Ireland Assembly for the purpose of amending the taking of the oath. That is as far as the consensus allows us to go; we cannot go beyond that.

The hon. Member for North Down (Lady Hermon) has been clear about her frustration over whether the Assembly will make Standing Orders to deal with breaches of the Oath and of any other areas around paramilitarism. More than anyone else on the Government Benches, I understand the dangers of the paramilitaries, and am very, very keen to rub them out of history in Northern Ireland, but the fact is that the Northern Ireland Assembly set their Standing Orders to ensure that Members of the Legislative Assembly stick to their pledge and, should they not do so, to take a range of sanctions against them. That is in 69B of the Standing Orders. It is very important, therefore, that we say that it is for the Northern Ireland Assembly to set out their procedures to deal with those matters.

I understand the frustrations that have been expressed—we have listened to them—but that does not detract from the very important issue that our consensus starts and finishes with the "Fresh Start" agreement and, as it is specified, we cannot go beyond that. I have heard what hon. Members have had to say, but unfortunately the Government will not accept the amendments placed before us today.

*Question put and agreed to.*

*Clause 6 accordingly ordered to stand part of the Bill.*

*Clause 7 ordered to stand part of the Bill.*

### Clause 8

#### UNDERTAKING BY MEMBERS OF THE ASSEMBLY

*Amendment proposed:* 6, page 5, line 11, at end insert—

"(5) Standing orders must provide for a process for investigating any alleged breach of the undertaking by any member of the Assembly and for determining whether the undertaking has been breached.

(5A) Standing orders must provide for sanctions that shall apply to any member of the Assembly who has been found to breach the terms of the undertaking."—(*Lady Hermon.*)

*This amendment requires the Northern Ireland Assembly to have an enforcement process, comprising investigation, determination and penalty, in order to ensure compliance with the terms of the statutory undertaking by members of the Assembly*

*Question put, That the amendment be made.*

*The Committee divided: Ayes 9, Noes 201.*

**Division No. 212]**

**[3.2 pm**

**AYES**

Donaldson, rh Mr Jeffrey M.  
Durkan, Mark  
Elliott, Tom  
Hermon, Lady  
Paisley, Ian  
Ritchie, Ms Margaret

Robinson, Gavin  
Simpson, David  
Wilson, Sammy

**Tellers for the Ayes:**  
**Jim Shannon and**  
**Danny Kinahan**

**NOES**

Afriyie, Adam  
Allan, Lucy  
Amess, Sir David  
Andrew, Stuart  
Ansell, Caroline  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Baker, Mr Steve  
Baldwin, Harriett  
Barwell, Gavin  
Bellingham, Sir Henry  
Benyon, Richard  
Beresford, Sir Paul  
Berry, James  
Boles, Nick  
Bradley, Karen  
Brazier, Mr Julian  
Bruce, Fiona  
Burns, Conor  
Burns, rh Sir Simon  
Burrowes, Mr David  
Carmichael, Neil  
Cartlidge, James  
Cash, Sir William  
Caulfield, Maria  
Chishti, Rehman  
Chope, Mr Christopher  
Churchill, Jo  
Cleverly, James  
Clifton-Brown, Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Costa, Alberto  
Cox, Mr Geoffrey  
Davies, Chris  
Davies, David T. C.  
Davies, Mims  
Davis, rh Mr David  
Dinenage, Caroline  
Donelan, Michelle  
Double, Steve  
Doyle-Price, Jackie  
Drax, Richard  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Ellis, Michael  
Ellison, Jane  
Ellwood, Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Graham  
Evennett, rh Mr David  
Fabricant, Michael  
Fernandes, Suella  
Foster, Kevin  
Fox, rh Dr Liam  
Frazer, Lucy

Freeman, George  
Freer, Mike  
Fysh, Marcus  
Ghani, Nusrat  
Gibb, Mr Nick  
Glen, John  
Gove, rh Michael  
Grant, Mrs Helen  
Gray, Mr James  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Griffiths, Andrew  
Gummer, Ben  
Halfon, rh Robert  
Hall, Luke  
Hammond, rh Mr Philip  
Hammond, Stephen  
Hands, rh Greg  
Harper, rh Mr Mark  
Harris, Rebecca  
Hart, Simon  
Heald, Sir Oliver  
Heappey, James  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, Damian  
Hoare, Simon  
Hollinrake, Kevin  
Hollobone, Mr Philip  
Huddleston, Nigel  
Hurd, Mr Nick  
James, Margot  
Jayawardena, Mr Ranil  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, Boris  
Johnson, Gareth  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kennedy, Seema  
Kirby, Simon  
Kwarteng, Kwasi  
Latham, Pauline  
Leadsom, Andrea  
Lefroy, Jeremy  
Leslie, Charlotte  
Letwin, rh Mr Oliver  
Lewis, Brandon  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Lilley, rh Mr Peter  
Lopresti, Jack  
Loughton, Tim  
Mackinlay, Craig  
Mackintosh, David  
Mak, Mr Alan

Malthouse, Kit  
Mann, Scott  
Mathias, Dr Tania  
Maynard, Paul  
McCartney, Jason  
Merriman, Huw  
Metcalf, Stephen  
Milling, Amanda  
Mills, Nigel  
Milton, rh Anne  
Morris, Anne Marie  
Morton, Wendy  
Mowat, David  
Murray, Mrs Sheryll  
Murrison, Dr Andrew  
Newton, Sarah  
Nokes, Caroline  
Nuttall, Mr David  
Offord, Dr Matthew  
Parish, Neil  
Patel, rh Priti  
Paterson, rh Mr Owen  
Penning, rh Mike  
Percy, Andrew  
Phillips, Stephen  
Philp, Chris  
Pincher, Christopher  
Pow, Rebecca  
Prisk, Mr Mark  
Pritchard, Mark  
Quin, Jeremy  
Quince, Will  
Raab, Mr Dominic  
Rees-Mogg, Mr Jacob  
Rosindell, Andrew  
Rudd, rh Amber  
Sandbach, Antoinette  
Scully, Paul  
Sharma, Alok  
Shelbrooke, Alec  
Skidmore, Chris  
Smith, Chloe  
Smith, Henry  
Smith, Royston

Soames, rh Sir Nicholas  
Soubry, rh Anna  
Spelman, rh Mrs Caroline  
Spencer, Mark  
Stephenson, Andrew  
Stewart, Bob  
Stewart, Iain  
Stewart, Rory  
Stride, Mel  
Sturdy, Julian  
Sunak, Rishi  
Swayne, rh Mr Desmond  
Swire, rh Mr Hugo  
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  
Vaizey, Mr Edward  
Vickers, Martin  
Villiers, rh Mrs Theresa  
Walker, Mr Robin  
Wallace, Mr Ben  
Warburton, David  
Wharton, James  
Whately, Helen  
Whittaker, Craig  
Whittingdale, rh Mr John  
Wiggin, Bill  
Williamson, rh Gavin  
Wilson, Phil  
Wilson, Mr Rob  
Wood, Mike  
Wragg, William

**Tellers for the Noes:**  
**George Hollingbery and**  
**Stephen Barclay**

*Question accordingly negated.*

*Clause 8 agreed to.*

**Clause 9**

**DRAFT BUDGETS**

**Mark Durkan:** I beg to move amendment 18, page 5, line 42, at end insert—

‘( ) Statements laid before the Assembly under this section must include information on—

- (a) how the total figures in the statement have been calculated,
- (b) the application of any funding formula used by Her Majesty’s Government in determining the amount of UK funding for that year as notified to the Minister by the Secretary of State,
- (c) the extent to which Her Majesty’s Government’s spending plans, on which the funding formula is based, have been informed or affected by statutory requirements or obligations, including specific clarification on—
  - (i) the consequential budgetary effects of any primary legislation resulting from Bills brought before the House of Commons after 22 October 2015, which related exclusively (in whole or in part) to either England and Wales, on matters within the devolved competence of any or all of the Northern Ireland

Assembly, the Scottish Parliament or the National Assembly for Wales, with indications on how these have been factored into the funding formula.

- (ii) any Regulations or other secondary legislation laid before the House of Commons after 22 October 2015, which related exclusively to either England or England and Wales, on matters within the devolved competence of any or all of the Northern Ireland Assembly, the Scottish Parliament or the National Assembly for Wales, with indications on how these have been factored into the funding formula

- (d) the ring-fencing of funding by Treasury for bespoke purposes,
- (e) UK wide or non-devolved funding measures for which services, enterprises or persons in Northern Ireland may be eligible, and
- (f) the impact of any relevant implications for Northern Ireland arising from the Charter for Budget Responsibility.

( ) The Minister of Finance and Personnel must lay before the Assembly further timely statements providing additional information on the effect on funding for the Northern Ireland Assembly's budget of—

- (a) other spending decisions or announcements by the Treasury or the Secretary of State which might have implications for the devolved spending remit by either adding to or subtracting from previously announced or approved plans,
- (b) the ring-fencing of funding by Treasury for bespoke purposes,
- (c) any legislative changes affecting the totals of spending by or on behalf of the UK Government and
- (d) UK-wide or non-devolved funding measures for which services, enterprises or persons in Northern Ireland may be eligible."

*This amendment requires transparency in statements laid with the budget, to show how figures were calculated, the application of the Barnett formula and the consequences of legislative changes made where EVEL applied; and requires additional statements on the consequences for Northern Ireland of other legislation and spending decisions.*

**The Temporary Chair (Sir Edward Leigh):** With this it will be convenient to discuss clause stand part.

Before I call Mr Durkan, I should say that these proceedings have to finish by 3.45. It is of course up to Members how they progress, but we do not have a great deal of time. Short speeches would be appreciated.

**Mark Durkan:** The Government have included clause 9 in the Bill in the name of transparency. I am certainly all for transparency in Budgets, be it here or in the Assembly, and I say that as a former Minister of Finance and Personnel in the Assembly.

Amendment 18 would make the transparency more articulate when the Minister of Finance lays a new statement before the Assembly to reflect the sum allocated to the Executive under the Barnett formula. It should not be just about a figure; it should explain how the figure was reached and the formula that was used to arrive at it.

The amendment is also about making good concerns expressed by parties not just in Northern Ireland but in other devolved areas that legislation passed in this House that conditions the overall plans in the Budget has consequential impacts on the Barnett formula. The Government deny that that is so. Many of us in the devolved parties believe that it is so. The best way of knowing is exactly by having the sort of transparency that amendment 18 would provide.

The transparency is also about avoiding the confusion around Budget announcements. Sometimes the Chancellor will talk about money that is available to Northern Ireland going directly to the Executive under the Barnett formula. Other times money will come from UK-wide funds or it is challenge funds that Northern Ireland is eligible for. Other money is also allocated to Northern Ireland on a purely ring-fenced basis. Often there is confusion about the different sums. Hon. Members are confused when we ask questions during Budget procedures. Members of the Assembly are confused and of course, the public, whose money we are talking about, are completely confused. So if there are to be benefits to transparency, let us make sure that the transparency is complete and articulate. That is what amendment 18 is about.

**Mr Wallace:** Clause 9 delivers the commitment, set out in the "Fresh Start" agreement, that the Government would legislate to promote increased transparency in the setting of Executive budgets. The clause amends section 64 of the Northern Ireland Act 1998. It requires the Northern Ireland Finance Minister to lay a statement in the Assembly specifying the amount of UK Government funding available for the financial year, as calculated by the Treasury and notified by the Secretary of State. The Finance Minister's statement must be laid at least 14 days in advance of the introduction of a draft Executive budget.

Upon laying the draft budget, the clause also requires that the Finance Minister issues a further statement showing that the amount of Government funding required by the draft budget does not exceed that specified by the Secretary of State. The clause also makes provision for a similar process to be followed if there is any change in the level of Government funding provided to the Executive. If this occurs, the Secretary of State can notify the Finance Minister of the change in funding. Within four months, the Finance Minister must inform the Assembly of this notification and specify the revisions to expenditure proposals required as a result of the Secretary of State's notification. In providing for greater transparency around Executive finances, this clause will encourage affordable and sustainable budgets going forward.

I do have some sympathy with the aim of amendment 18, which is to bring about further transparency in the budgetary process—that is what I think clause 9 already achieves. I understand there to be two main purposes behind the amendment to the provisions in the Bill which deal with the draft Budgets presented to the Northern Ireland Assembly.

To deal with subsections (a) and (b) in the amendment, the inner workings of the Barnett formula are sometimes unfairly characterised as opaque. In fact all of the information which underlies the calculations and therefore the calculation of the block grant is set out in the Treasury publication known as the "Statement of Funding Policy".

As will once again be evident when the Chancellor presents his Budget next week, the Barnett consequential for Northern Ireland relating to funding decisions taken by the Treasury will be communicated to the Northern Ireland Executive almost instantly upon the Chancellor taking his seat. It is the intention behind the provisions in this Bill to make it possible for Assembly Members—and parliamentarians in this House who take an interest—

[Mr Wallace]

to more easily work out what is going on under the surface to deliver the Executive's budgetary allocations from the Treasury. I want to reassure hon. Members that the Northern Ireland Office is working closely with the Treasury and the relevant Northern Ireland Departments to determine the format of the new statement that the Finance Minister will be obliged to lay in the Assembly. The statement will necessarily include information on the application of the Barnett formula and its outcomes.

We do not believe the provisions set out in paragraphs (a) and (b) of the amendment will achieve the aims intended, or that they are necessary. In fact, a statement which simply said that "the amount of UK funding included in this statement was calculated by the Treasury with reference to the statement of funding policy" would be technically compliant with the amendment. I do not believe that that is the intent. I ask hon. Members to take it that we will ensure that the statements, when made, are more informative on a voluntary basis than such legislation would compel them to be.

Paragraph (c) of the amendment is of a rather different character, and the Government cannot accept the logic behind it. Indeed, matters related to this subject were debated at some length when the House considered the proposals for English votes for English laws. It is not possible to calculate changes to the block grants on a Bill-by-Bill basis.

The block grant allocations to the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly are calculated at spending reviews and adjusted following decisions taken at fiscal events such as Budgets or autumn statements on overall Whitehall departmental budgets. Approval from Parliament to pay funds into the respective devolved Consolidated Funds is granted through the Supply estimates process—itsself not subject to EVEL.

Even when a Bill's impact assessment identifies extra spending or savings, implicitly or explicitly through a money resolution, in many cases this decision may not impact on the size of the block grant at all. So the intent which I understand to be behind the amendment would have no practical effect. The relevant part of the Finance Minister's statement would say, every time he or she made it, that no effects of the type specified in the legislation has been identified.

In relation to paragraph (d) of the amendment, there is no reason why the statement to be made by the Finance Minister should not clarify any elements of ring-fenced funding being made available to the Executive. However, given the reservations that I explained earlier about the need to prescribe every aspect in legislation, I ask again that hon. Members accept that we will work closely with the Finance Minister to ensure that sufficient detail is made available to permit proper scrutiny and understanding of the various funding sources available to the Executive.

On paragraphs (e) and (f) of the amendment, I am afraid that we are unclear precisely what is intended by the proposed provisions. The Executive's block grant does not generally include non-devolved elements of funding, and the charter for budget responsibility sets out obligations for the UK Government, not for the Northern Ireland Executive.

Finally, much of what is provided for in the final proposed subsection, which would require the Finance Minister to lay "further timely statements", is already achieved by the existing provisions. New subsection 64(1C) to (1E) will compel the Finance Minister to lay new statements to the Assembly under certain circumstances if notified of changes to the level of UK funding available. The new statements will not, however, be any more able to deal with the questions of changes provoked by legislative provision at Westminster than as explained previously in relation to English votes for English laws.

I urge hon. Members to withdraw their amendment.

I beg to move that clause 9 stand part of the Bill.

**Mark Durkan:** I am not persuaded by any of the Minister's arguments in respect of the quality of the amendment, but I can assure him that I will not press it to a Division.

The Minister said he was not sure that paragraphs (e) and (f) were needed. Paragraph (e) relates to the Chancellor's own statement. Often there is confusion about whether the money made available to Northern Ireland is in the Northern Ireland budget or not. The aim was to ensure greater clarity for Members in this House, Members of the Assembly and the public.

Paragraph (f) refers to

"the impact of any relevant implications for Northern Ireland arising from the Charter for Budget Responsibility."

The charter for budget responsibility is becoming increasingly important. Like other measures, it was probably bubble-wrapped as a neutral budgetary tool originally, but neutral budgetary tools end up being cuts weapons in the hands of the Treasury. The aim of the amendment was to ensure that that is understood. Let us remember that the welfare cap is part of the charter for budget responsibility. We want to ensure three-dimensional transparency in relation to budgetary matters.

I am glad that there are some aspects of the amendment the Minister would want to see reflected in the further outworkings of clause 9 and that he feels confident they will be. I do not share that confidence, but I will not tax the House with a Division. I beg to ask leave to withdraw the amendment.

*Amendment, by leave, withdrawn.*

*Clause 9 ordered to stand part of the Bill.*

## Clause 10

### REGULATIONS

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

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

Amendment 2, in clause 11, page 6, line 25, leave out "section 10" and insert "sections 10, (Victims and survivors), (Election of the First Minister)"

*This amendment provides for NC1 and NC2 to come into force on the day on which this Bill is passed.*

Clause 11 stand part.

New clause 1—*Victims and survivors*—

In Article 3 of the Victims and Survivors (Northern Ireland) Order 2006, at the end insert—

“(3) In this Order references to victim and survivor shall not include an individual appearing to the Commission to be any of the following—

- (a) someone who is or has been physically or psychologically injured as a result of or in consequence of their undertaking a criminal act in a conflict related incident;
- (b) someone who was in whole or in part responsible for an unlawful conflict related incident if that person took part in all or any of the planning or execution of that unlawful act.”

*This new clause provides that persons injured as a result of criminal acts in conflict related incidents cannot be treated as victims or survivors if they were themselves responsible for those criminal acts.*

#### New clause 2—*Election of the First Minister—*

“(1) The Northern Ireland Act 1998 is amended as follows.

(2) Omit sections 16A (appointment of First Minister, deputy First Minister and Northern Ireland Ministers following Assembly election, 16B (vacancies in the office of First Minister or deputy First Minister) and 16C (sections 16A and 16B: supplementary).

(3) Before section 17 (Ministerial offices) insert—

“A17 First Minister and deputy First Minister

(1) Each Assembly shall, within a period of two weeks beginning with its first meeting, elect from among its members the First Minister and deputy First Minister.

(2) Each candidate for either office must stand for election jointly with a candidate for the other office.

(3) Two candidates standing jointly shall not be elected to the two offices without the support of a majority of the members voting in the election, a majority of the designated Nationalists voting and a majority of the designated Unionists voting.

(4) The First Minister and deputy First Minister—

- (a) shall not take up office until each of them has affirmed the terms of the pledge of office; and
- (b) subject to the provisions of this Part, shall hold office until the conclusion of the next election for First Minister and deputy First Minister.

(5) The holder of the office of First Minister or deputy First Minister may by notice in writing to the Presiding Officer designate a Northern Ireland Minister to exercise the functions of that office—

- (a) during any absence or incapacity of the holder; or
- (b) during any vacancy in that office arising otherwise than under subsection (7)(a);

but a person shall not have power to act by virtue of paragraph (a) for a continuous period exceeding six weeks.

(6) The First Minister or the deputy First Minister—

- (a) may at any time resign by notice in writing to the Presiding Officer; and
- (b) shall cease to hold office if he or she ceases to be a member of the Assembly otherwise than by virtue of a dissolution.

(7) If either the First Minister or the deputy First Minister ceases to hold office at any time, whether by resignation or otherwise, the other—

- (a) shall also cease to hold office at that time; but
- (b) may continue to exercise the functions of his or her office until the election required by subsection (8).

(8) Where the offices of the First Minister and the deputy First Minister become vacant at any time an election shall be held under this section to fill the vacancies within a period of six weeks beginning with that time.

(9) Standing orders may make provision with respect to the holding of elections under this section.

(10) In this Act “the pledge of office” means the pledge of office which, together with the code of conduct to which it refers, is set out in Annex A to Strand One of the Belfast Agreement (the text of which Annex is reproduced in Schedule 4).”

*This new clause provides for the First Minister and deputy First Minister to be elected jointly by the whole Assembly, provided that the joint candidates for those posts also have a majority among both the designated Nationalists and the designated Unionists voting in the election.*

#### New clause 3—*Appointment of First Ministers—*

In Section 16A of the Northern Ireland Act 1998 (Appointment of First Ministers and Northern Ireland Ministers following Assembly election)—

- (a) subsections (4) to (7) and (9) shall cease to have effect,
- (b) after subsection (3) there shall be inserted—

“(4) Each candidate for the joint office of First Ministers must stand for election jointly with a candidate for the other office.

(5) Two candidates standing jointly shall not be elected to the two offices without the support of a majority of the members voting in the election, a majority of the designated Nationalists voting and a majority of the designated Unionists voting.

(6) The First Ministers—

- (a) shall not take up office until each of them has affirmed the terms of the pledge of office before the Assembly; and
- (b) subject to the provisions of this Part, shall hold office until the conclusion of the next election for First Ministers.
- (c) in subsection (3)(b) the reference to subsections (4) to (7) shall be replaced by a reference to subsections (4) to (6).”

*This new clause provides for the First Ministers to be elected jointly by the whole Assembly, provided that the joint candidates for those posts also have a majority among both the designated Nationalists and the designated Unionists voting in the election, rather than appointed by the nominating officers of the largest political parties of the largest and second largest political designations. This would revert to provisions of the Good Friday Agreement and the Northern Ireland Act 1998.*

#### New clause 4—*Implementation and Reconciliation Group—*

“(1) An Implementation and Reconciliation Group will be established to oversee progress on, and adherence to, commitments in the Stormont Agreement and Implementation Plan and other relevant agreements.

(2) The Implementation and Reconciliation Group, serving as a forum of joint purpose for reconciliation and normalisation involving Assembly parties and both governments, may receive and make reports and offer advice and recommendations.

(3) The Implementation and Reconciliation Group will have eleven members, including a chair.

(4) Publicly elected representatives will not be eligible for appointment as members of the Implementation and Reconciliation Group.

(5) The chair of the Implementation and Reconciliation Group must be a person of independent and international standing, nominated jointly by the First Ministers.

(6) The other appointments to the Implementation and Reconciliation Group will comprise eight members nominated to reflect the party proportions among the elected members of the Northern Ireland Assembly, one member nominated by the Secretary of State and one nominated by the Government of Ireland.”

*This new clause would establish a group comprising of nominees of Assembly parties, whether represented in the Executive or not, and nominees of both governments to appraise progress on agreed objectives and plans in pursuit of reconciliation and normalisation.*

#### New clause 5—*Equality duty—*

“(1) Section 75 (statutory duty on public authorities) of the Northern Ireland Act 1998 is amended as follows.

(2) In subsection (1), after paragraph (d) insert—

- “(e) between those who are victims and survivors of the conflict and those who are not; and

(f) between those who have been members of Her Majesty's armed forces and those who are not."

(3) After subsection (1), insert—

"(1A) A person is excluded from any benefit arising from this Act by virtue of (1)(e) if that person has been convicted of a serious criminal conviction."

(4) In subsection (5), insert at the appropriate places—

"serious criminal conviction" means a conviction, whether the person was convicted in Northern Ireland or elsewhere, for an offence for which—

(a) a sentence of imprisonment of five years or more was imposed,

(b) a sentence of imprisonment for life was imposed;

"victim and survivor of the conflict" is defined as—

(a) any person who has suffered harm caused by an act related to the conflict in Northern Ireland, for which they are not wholly or partly responsible, that is in violation of the criminal law,

(b) any person who provides a substantial amount of care on a regular basis for a person as outlined in paragraph (a), where the harm suffered is a physical or psychological injury."

*This new clause provides for a change to section 75 of the Northern Ireland Act 1998 to add to the list of exemptions victims and survivors of the conflict and members of Her Majesty's Armed Forces. It also provides a definition of victims and survivors of the conflict.*

**Mr Wallace:** The next group covers general provisions and new clauses. Clause 10 provides for the parliamentary procedure to be used for the regulation-making powers in the Bill, while clause 11 provides for the short title, commencement and extent.

Amendment 2 is consequential to new clauses 1 and 2, which I will speak to in a moment. The amendment would change the commencement provisions so that those new clauses would come into force at Royal Assent.

New clause 1, tabled by the hon. Member for Fermanagh and South Tyrone (Tom Elliott), concerns the definition of a victim in relation to the role of the Commission for Victims and Survivors. When it comes to the past, it is clear that victims should be our first priority. I am aware that the definition of a victim is a matter of contention.

The legislation that currently deals with the concept of a victim in the context of legacy matters in Northern Ireland is for the purposes of the Commission for Victims and Survivors. The Victims and Survivors (Northern Ireland) Order 2006 was passed by the previous Labour Government. This is now a devolved matter and therefore the responsibility of the Northern Ireland Assembly. Accordingly, the Commission for Victims and Survivors is the responsibility of the First Minister and the Deputy First Minister.

Under the order, "victim and survivor" means a person appearing to the commission to be a person who was physically or psychologically injured as a result of a conflict-related incident, who regularly provides substantial care for such a person, or who is bereaved as a result of a conflict-related incident. It includes persons who are psychologically injured as a result of being a witness to an incident or of providing medical or emergency assistance to a person in connection with an incident.

Under that definition, it is possible for someone who was a perpetrator of violence, or a member of their family or their carer, to be defined as a victim, and to benefit from the commission's assistance. We believe

that there is a clear distinction between innocent victims and perpetrators, just as we have stated that we will never accept equivalence between those who sought to defend democracy and those who attempted to destroy it.

Members of the House will be aware of the significant progress made on legacy issues during the Stormont House talks towards the end of 2014. That included the Northern Ireland Executive agreeing to the recommendation from the Commission for Victims and Survivors of a new mental trauma service better to meet needs in that area. Advocate-counsellor assistance was also agreed for victims and survivors, to provide support and to help individuals to access relevant services.

I know that the definition remains highly controversial with not only the Northern Ireland parties, but many people in Northern Ireland and the rest of the United Kingdom. In my recent discussions, it has been very much a live concern for the parties, but it did not form any substantive part of the two rounds of talks that led to the Stormont House and "Fresh Start" agreements.

As a devolved matter, any change to the definition would require cross-community support in the Assembly, and I am sure Members will agree that the matter is best resolved by the political parties in Northern Ireland. The establishment of the institutions agreed under the Stormont House agreement still represents the best chance of making progress on these matters.

New clause 5 relates to members of the armed forces, victims and survivors. I do not think I need to clarify further for colleagues my empathy and respect for members of our armed forces. I welcome the support that the DUP and others are evidencing by raising these issues today. It is vital that they know their interests are represented here and at Stormont.

The dedication, professionalism and courage of the armed forces were key factors that ensured that terrorism did not succeed during the troubles. More than 1,000 members of the security forces lost their lives during Operation Banner, securing and maintaining the rule of law in Northern Ireland. Without those sacrifices, and those of a great many others who served in the armed forces during the troubles, the peace process would simply not have succeeded.

Section 75 of the Northern Ireland Act 1998 is about promoting equality of opportunity, and the need to ensure people are not disadvantaged. I have made it a priority in my time as Minister to listen and respond to the concerns of serving and retired members of our armed forces. They are concerned about a rewriting of the past and about a one-sided approach to resolving legacy issues. They are concerned that there should never be a repetition of the circumstances that occurred during the troubles.

There has been no indication that former or serving servicemen and women have been adversely affected by section 75, so the Government do not think it is right to alter it.

3.30 pm

The Government cannot support the proposal becoming law. We would not want the status of members of the armed forces in Northern Ireland to become the subject of political controversy, and the measure would give rise to a real risk of creating difficulties where none currently exist. The best way to deal with the concerns

that members of the armed forces have raised with me is for all parties to deliver on the commitments in the Stormont House agreement. That includes a historical investigations unit, which will address the perceived one-sided nature of the status quo by investigating all outstanding troubles-related deaths, in chronological order, unless there is a good reason not to do so. It includes the commitment by the Northern Ireland Executive to explore the idea of a victims' pension. Many former servicemen and women feel that they are the forgotten victims of the troubles, and that provides an appropriate recognition of their status.

The commitments also include improved support services for those defined as victims, who often suffer from mental trauma. I was delighted to learn this week that Combat Stress has been awarded a grant of £500,000 from LIBOR funding to roll out mental health services in Northern Ireland and to make sure that those service personnel who may feel that they are not being prioritised or receiving the service they deserve do in fact get that delivered. I have pushed for that since I was first appointed and I am delighted that we can now, I hope, improve their lot.

**Bob Stewart** (Beckenham) (Con): Will that cover men and women in the uniform of the Ulster Defence Regiment?

**Mr Wallace:** The aftercare service is available to former members of both the Royal Irish Regiment and the UDR, and it has, in effect, been moved into a main initiative to carry on looking after them. I visited the service last year and it provides excellent support.

Members of the armed forces and, indeed, the security forces are, of course, at the forefront of our minds with regard to providing that support. It will be up to Combat Stress and the armed forces to decide how they divide the money and deliver the service.

**Jim Shannon:** I am pleased that Combat Stress has been allocated money, but many other organisations in Northern Ireland, including Beyond the Battlefield, SSAFA and regimental associations, do good work with veterans and former personnel. How can they take part in the process and access some of the LIBOR funding that has been set aside for one specific organisation?

**Mr Wallace:** People can access a range of veterans organisations, including regimental associations and the Royal British Legion, as well as the Government themselves through the Ministry of Defence and Veterans UK, and I encourage them to do so. Perhaps I should declare an interest: I lost 30% of my sight while serving in East Tyrone on a tour of Northern Ireland in 1994, so perhaps I will be covered by the definition of a victim. It is important that we help the victims and recognise that they are not equated with the terrorists and those who sought to spread murder and chaos.

I am afraid that the Government will oppose the measures that have been tabled, but we call on Members to continue to work with us on resolving the legacy issues. As well as people's physical suffering, we must consider their mental health and how they deal with memories of the past. This is about not only drawing a line under what has happened, but allowing people to know as much as possible about what happened to their loved ones or, indeed, themselves. The narrative of,

"It wasn't the terrorists fault," that is being pushed has the negative effect of preying on people's bereavement by trying to come up with a ready excuse that it was not actually the terrorists who killed their husband or wife, but somebody else all along. That preys on people's fears and their real pain, and those who seek to do that should be ashamed of themselves.

**Tom Elliott:** I hear what the Minister says about the definition of a victim being a matter for the Northern Ireland legislature, but does he agree that the definition is unfair in its present form, in which a perpetrator of violence is equated with those throughout society who were badly harmed, murdered and maimed?

**Mr Wallace:** I agree with the hon. Gentleman that it is totally wrong to equate the two. I believe that the remedy for that is in the Northern Ireland Assembly, which is where the power to amend the definition of victims lies. I urge the Assembly always to keep at the forefront of its mind the fact that the two are not the same, because that will go further than us, as a Government, imposing that change.

**Mr Jeffrey M. Donaldson:** I beg to differ with the Minister about this. Many victims and survivors who were affected by the troubles in Northern Ireland neither reside in nor came from Northern Ireland; in fact, they may even be the Minister's constituents. Given that hundreds of soldiers who were injured or killed in Northern Ireland came from Great Britain, that police officers came from Great Britain and that civilians were injured in Great Britain in acts of terrorism committed in connection with the troubles, to suggest that the definition of victim and survivor is a matter to be dealt with by the Northern Ireland Assembly misses the point. Victims and survivors came from all over the United Kingdom, so it is for this Parliament to determine who is a victim and survivor.

**Mr Wallace:** I hear what the right hon. Gentleman says, and I do not disagree with a large part of it, but the Bill deals with the "Fresh Start" agreement—the Stormont House agreement—in so far as it applies in Northern Ireland. I am sure that there will be further opportunities to redefine "victims" as that term would apply in the United Kingdom. Under the previous Government, the Ministry of Justice did a lot of work to ensure that the criminal injuries compensation scheme did not extend to burglars, robbers and everyone else who had managed to claim against it when they had perpetrated a crime. Precedents in United Kingdom law, or certainly in English and Welsh law, make that difference clear. I hear loud and clear what the right hon. Gentleman says, and I hope that there will be opportunities to address that in future legislation, but today we are considering this Bill, which is a consequence of the "Fresh Start" agreement.

New clause 4 would establish the implementation and reconciliation group, which is one of four new bodies to be established as part of the Stormont House agreement. The others are, as we had hoped, the historical investigations unit, the independent commission on information retrieval and the oral history archive. Members will be aware that the Government continue to support the establishment of all those bodies and the other measures in the Stormont House agreement. However, for reasons that

[Mr Wallace]

I will set out, we do not agree that it would be a positive step to move ahead with the IRG in the absence of the other bodies and measures. The IRG and the other measures to deal with Northern Ireland's past require cross-community support in Northern Ireland and must be dealt with as part of the package of bodies and measures proposed in the Stormont House agreement.

As I have mentioned, the IRG is an integral part of the four bodies proposed in the Stormont House agreement. The Government have committed £150 million towards the establishment of those bodies as part of our commitment to help Northern Ireland to deal with its troubled past. The design and implementation of the bodies was considered as part of the intense negotiations during the "Fresh Start" legacy talks, but the establishment of the IRG and the other legacy mechanisms could not be agreed at the time. The Government continue to work on making progress on the legacy strand of those negotiations. As is set out in the Stormont House agreement, the Government support much of what was proposed. The IRG should receive and commission reports; it should promote reconciliation; it should be appointed by Northern Irish political parties, the UK Government and the Irish Government; and it should have a chair of international standing who is nominated jointly by the First Minister and the Deputy First Minister.

As Members know, there have been a number of previous initiatives aimed at addressing the legacy of Northern Ireland's troubled past, and they have all recognised that it cannot be reduced to a one-dimensional issue. No single approach or solution will work in isolation; a concerted and multifaceted approach is required. The Stormont House agreement makes it clear that the four legacy bodies are intended to constitute a package of measures to deal with the past, each addressing a different dimension of this difficult issue.

I suggest that establishing the IRG on its own would not ultimately promote reconciliation, although that is a key function of the body. I say that because the proposed new clause ignores many of the ingredients acknowledged by the political parties in Northern Ireland as integral to dealing with Northern Ireland's past. Those ingredients must address the suffering of victims and survivors, facilitate the pursuit of justice and information recovery, and be balanced, proportionate, transparent, fair and equitable.

A significant criticism that victims have raised with us regarding the current approach is the piecemeal nature of how legacy matters are dealt with. I do not think that we wish to perpetuate that through a piecemeal implementation of the legacy institutions. The IRG, as an integral part of the Stormont House agreement, can realistically be implemented only in parallel with the other legacy bodies, and it is clear that progress on the whole package of legacy mechanisms must have cross-community support in Northern Ireland.

I recognise the views of UUP and SDLP Members about new clauses 2 and 3. Indeed, I sympathise with the sentiment behind the measures. On the face of it, reverting to the pre-St. Andrews agreement method of electing the First and Deputy First Ministers might be a welcome change, because that involved an overt demonstration of cross-community support. However,

to accept the new clauses would be to turn back the clock to before the St Andrews agreement and the subsequent legislation, which is the basis on which devolved government was restored in 2007 and continues to this day. The reality is that such changes would need to be supported on a cross-community basis, but that has not happened. The purpose of the Bill is to implement the Government's commitments under the "Fresh Start" agreement, and the proposals go beyond that agreement.

I am concerned that if we made changes to the institutions without cross-community support in Northern Ireland, we would risk destabilising the political process in Northern Ireland, damaging the substantial progress that we have made and diverting attention from the challenges and opportunities that Northern Ireland faces. Our priority in supporting devolved politics in Northern Ireland must be to implement the "Fresh Start" and Stormont House agreements, and we are taking another step towards that with this Bill. I recognise that this matter has been considered in the past. The same amendment was tabled in the other place during the passage of the Northern Ireland (Miscellaneous Provisions) Bill in early 2014, but the Government could not support it then. I am afraid that, for the same reason, we will not do so today.

I have outlined the reasons why the Government will not support new clauses 1 to 5 and amendment 2, and I urge hon. Members not to press them to a Division.

**Stephen Pound:** I will speak very briefly. Not for the first time, the right hon. Member for Lagan Valley (Mr Donaldson) has made a very pertinent and relevant point. As someone from west London who was close to the Harrods bombing, the Town House bombing and the BBC bombing—I am also aware of what happened in Guildford, Birmingham and Warrington—I would be the first person to agree with his point that there is no territorial definition of victimhood.

I thank the Minister—the hon. and gallant Gentleman—for his comments. Everyone in the House must associate themselves with his words—there can be no equivalence. We hear that loudly from this side of the House and from that side of the House, and I think it is also said across the nation. We must support our armed forces—that is absolutely right—and we must endorse and support the armed forces covenant. I think of the work of the hon. Member for Strangford (Jim Shannon) and many other people who have done so much work in that area.

Above all, we must never ever forget, in everything that we do in relation to this subject, that victims must be at the heart of our deliberations. Victims are the people we must consider above all. We have to work with those who are physically and psychologically scarred by their horrors.

I will not speak for long, because I must give other Members a chance to speak, but I want to support and endorse the comments made the Minister—the hon. and, if I may say so, gallant Gentleman.

**Danny Kinahan:** I know that we are tight for time, but I really want to push our new clauses. The main reason why we tabled new clause 1 is that legacy issues are bubbling away at the moment. We need to ensure that we have a level playing field, but we do not at the moment. We saw an example of that at the weekend: the ex-Army bomber of Osnabrück has been given his war

pension, yet the family of Lance Corporal Young of the Household Cavalry, who wanted legal aid, have not got that. There is an imbalance. If we are to go into all these issues in the future, particularly regarding victims—

3.44 pm

*Three hours having elapsed since the commencement of proceedings in Committee, the debate was interrupted (Programme Order, 22 February).*

*The Chair put forthwith the Question already proposed from the Chair (Standing Order No. 83D), That the clause stand part of the Bill.*

*Question agreed to.*

*Clause 10 accordingly ordered to stand part of the Bill.*

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

*Clause 11 ordered to stand part of the Bill.*

*Schedule 1 agreed to.*

## Schedule 2

### UNDERTAKING BY ASSEMBLY MEMBERS: TRANSITIONAL PROVISION

*Amendments made: 4, page 8, line 10, leave out “member of the new Assembly” and insert “person”.*

*The Speaker of the Northern Ireland Assembly remains in office after its dissolution and may chair the first meeting of the new Assembly, even if not a member of it (for example because he or she did not seek re-election). This amendment ensures that, in those circumstances, the outgoing Speaker can determine the “transitional procedure”.*

*Amendment 5, page 8, line 12, leave out “member” and insert “person”.—(Mr Ben Wallace.)*

*See the explanatory statement for amendment 4.*

*Schedule 2, as amended, agreed to.*

*The Deputy Speaker resumed the Chair.*

*Bill, as amended, reported.*

*Bill, as amended in the Committee, considered.*

*Third Reading*

3.46 pm

**The Secretary of State for Northern Ireland (Mrs Theresa Villiers):** I beg to move, That the Bill be now read the Third time.

I thank all right hon. and hon. Members who have contributed to this debate and on Second Reading, as well as Members of the Northern Ireland Assembly and Executive who have engaged with me and my officials on the detail of the Bill's preparation. I extend my thanks to Her Majesty's Opposition for their support for the Bill, and for agreeing to its faster than usual passage through the House.

As we have heard, the Bill gives effect to key elements of the “Fresh Start” agreement of 2015 and the Stormont House agreement of 2014, which were agreed between the UK Government, parties representing a majority of Unionists and nationalists in the Executive, and the Irish Government. Building on important progress that has already been made on implementing a range of

aspects of those agreements, the Bill marks an important step towards a more peaceful, prosperous and stable Northern Ireland.

As we have heard, a crucial part of the Bill is to put into effect a treaty to be agreed between the UK and Irish Governments that will establish the independent reporting commission, which we see as a crucial step on the road to the day when paramilitarism in Northern Ireland is entirely something of the past, rather than the present. The commission will promote and report on progress towards ending paramilitary activity connected with Northern Ireland, and all the pain and distress that it has caused in the past, and sadly sometimes continues to cause today.

In Committee we introduced a small amendment to make it clear that the Government will not issue guidance on national security matters in another jurisdiction, and I am grateful to the Committee for adopting that amendment. We considered a set of amendments on the process for appointing members of the independent reporting commission, and for a moment I had a bit of a flashback to the debate on appointments that took place at great length over the 10 weeks of talks that led to the “Fresh Start” agreement. We have listened carefully to what hon. Members have had to say, and we feel that an appointment by the office of the First and Deputy First Minister sensibly reflects the content of the “Fresh Start” agreement. It involves the need to establish consensus between the First and Deputy First Minister, and we encourage them to consult their Executive colleagues on such matters.

I reiterate the Government's commitment to placing a draft treaty relating to the new commission in the Library of the House as soon as possible, and certainly at the same time or before any regulations are placed before the House regarding the commission. As the Minister stated, any guidance would be published by us before the commission starts its work.

We also had a lively debate on the proposed amendments to the pledge of office for Ministers, and the undertaking for Members of the Legislative Assembly. Both of those reflect commitments in the “Fresh Start” agreement to give unequivocal support to the rule of law and to work collectively to achieve a society free of paramilitarism. It is good that the House has had today the opportunity to reiterate our strong commitment to those goals. These commitments contained in the Bill take Northern Ireland's political parties further than ever before in their determination to see a complete end to paramilitary activity in Northern Ireland. I believe the provisions represent an important step forward. We had a substantial and informed debate about how MLAs could best be held to account for upholding that new undertaking. We carefully considered the amendment tabled by the hon. Member for North Down (Lady Hermon), but I remain clear that this is a matter not for this House but for the Assembly. It is crucial that we do all we can to ensure that those who make these undertakings are kept to those commitments, but these are matters for the Assembly and I am sure it will take note of the points made today.

It is also important that we recognise that the extension of the appointment period for Ministers is a helpful way to improve the way devolution works. This was, I gather, originally an idea put forward by the hon. Member for Fermanagh and South Tyrone (Tom Elliott)

[Mrs Theresa Villiers]

and it became part of the Stormont House agreement, and I think it will play a part in contributing to the compilation of a more bipartisan programme for government, as there will be more time to conclude that before people take on their ministerial responsibilities.

I am delighted that the House has accepted the financial transparency clause, which I see as an important part of the Bill. A considerable amount of work was needed to ensure that we came up with a clause that not only worked but fully respected the decisions of the Northern Ireland Executive in relation to their own budget. Thanks to the helpful contributions made by the Department of Finance and Personnel, Her Majesty's Treasury and the Northern Ireland Office, we have a sensible provision that will add transparency and workability to the way the Northern Ireland Executive and Assembly compile their budgets. That, too, is an important step forward, and it demonstrates that we are learning the lessons of the experience of recent years.

During the debate in Committee earlier, the Minister reaffirmed the Government's commitment to the establishment of the bodies designed to address the legacy of Northern Ireland's past. It is of course a matter of regret that we cannot include them in this legislation, but the reality is that we do not yet have the commitments that we need, on a cross-community basis, and the consensus that we need to be able to bring forward such legislation. We do recognise the importance of establishing these bodies, and I assure the House that we will continue with our efforts to build the consensus that we need to introduce them. We made real progress during the talks which led to the "Fresh Start" agreement, but sadly it was not quite enough to enable us to proceed with this legislation. I will continue my programme of engagement with the political parties and with victims groups to try to bridge those final gaps and thus enable us to get these bodies up and running. We believe that they would deliver considerably better outcomes for victims and survivors, and would represent the best way forward for seeking to address some of the painful legacies of the past and the troubles.

I also take on board the points made in the amendments and in the debate about the definition of a "victim". As a Government, we sympathise with many of the points that have been made on these matters. We can see real problems with the definition, which includes those injured at their own hands in the course of the commission of criminal acts, but this is properly a matter for the Northern Ireland Assembly to decide, not for this House.

In conclusion, the Bill will be a step forward for Northern Ireland. It will help us to deliver those crucial two agreements—"Fresh Start" and Stormont House. It will take us towards a more successful, stable and prosperous Northern Ireland. Most important of all, it will take us a step closer to a Northern Ireland that is, once and for all, free from the pernicious influence of paramilitaries and terrorists of any sort. I ask hon. Members to support the Bill on its Third Reading.

3.55 pm

**Mr Jeffrey M. Donaldson:** We welcome the passage of the Bill. We are a signatory, as it were, to the Stormont agreement. We want to see its implementation. Equally, we want to see the implementation of the Stormont

House agreement. I echo the sentiments of the Secretary of State, particularly in relation to the bodies that will deal with the legacy issues—the historical investigations unit being prime among them.

Every day, I talk to constituents, victims and survivors in Northern Ireland. There is a deep sense of frustration on their part that the media are full of the whingeing of Sinn Féin about what the state did and what the Government did. The stark statistics speak for themselves: 90% of the killings carried out in what we call the "troubles" were carried by out terrorist organisations. Some 60% of those killings were carried out by republican terrorists. There are 3,000 unsolved murders linked to the troubles in Northern Ireland, yet we have the absurdity of scores of police officers reviewing the killings known as "Blood Sunday" in Londonderry and not a single police officer looking at the equally bloody Sunday in the constituency of the hon. Member for Fermanagh and South Tyrone (Tom Elliott), when the Provisional IRA exploded a bomb at the cenotaph and murdered many innocent people. Today, not a single police officer is being deployed to investigate those responsible for that murder.

Looking at that situation, we can understand why ordinary people in Northern Ireland are left deeply frustrated. Ninety per cent. of killings get little or no attention, yet the focus is constantly on what the state did, constantly on what our brave soldiers did and constantly on what our brave police officers did. In many instances, the killings carried out by the state were entirely lawful and legitimate, and carried out against terrorists engaged in acts of violence and terrorism. They were often in self-defence.

We have inquests. We have investigations. We have inquiries. We have hundreds of millions of pounds spent on investigating what the state did. The innocent victims are not only not getting the attention they deserve; they have to accept—they do not accept it; "endure" is perhaps the word—a definition of "victim" that in law equates them with the perpetrators. That is something this House ought to address. There is no consensus in Northern Ireland on the definition of "victim", and I do not think the Northern Ireland Assembly is likely to agree one in the near future. There was debate on this in the Stormont House discussions and it has been discussed at length in the past. I presented a private Member's Bill in this House to change the definitions of victim and survivor. I tabled amendments to the Northern Ireland (Miscellaneous Provisions) Bill. My party has tabled an amendment to this Bill, as has the Ulster Unionist party. We still do not have a change to the definition of victim and survivor.

The hon. Member for Ealing North (Stephen Pound) is right to say that this matter goes beyond the people who live in Northern Ireland. It includes many who served in Northern Ireland, and the victims of the Birmingham, Manchester, Canary Wharf, Bishopsgate and Guildford bombings. There are many instances of terrorist atrocities carried out by republican terrorists here.

**Gavin Robinson** (Belfast East) (DUP): Does my right hon. Friend believe that the injustice was further compounded earlier this week, when the Legal Aid Agency refused to support the just quest of the families of the Hyde Park bombing for civil support in their pursuit against John Downey?

**Mr Donaldson:** My hon. Friend makes a valid point. The other day I was in the lift with Lord Tebbit and I asked after his wife. I think of the Brighton bomb—the Conservative party knows this all too well—which was a blow to the heart of British democracy if ever there was one. I think of Lord Tebbit's wife. I think of others who died in that attempt by the Provisional IRA to blast British democracy.

As Lord Tebbit himself asked, why is the man who planted the bomb being equated with the victims of the Brighton bombing? With the greatest of respect to the Secretary of State and the Minister, I say that this is not a matter just for the Northern Ireland Assembly; it is a matter for every Member of this House of Commons. We all have constituents who served in Northern Ireland, and many of us have constituents who died or were injured there. They are all victims and survivors. The Minister himself would come under the category of "survivor", yet he is equated with the very people whom he lawfully was seeking to bring to book and who were holding Northern Ireland to ransom.

My final point concerns an amendment of ours that unfortunately was not debated this afternoon. I disagree with the Minister. The military covenant is not being fully implemented in Northern Ireland. I will send him copies of responses I have had from Departments in Northern Ireland specifically stating that constituents of mine who have undertaken military service cannot benefit from the military covenant because of section 75. I will share that correspondence with him so that he can see our frustration at hearing Ministers deny there is a problem. We, as Members representing constituencies in Northern Ireland, have constituents who served in our armed forces who are not getting the full benefit of the military covenant because of section 75. I hope he will understand our frustration.

**Mr Wallace:** I share the right hon. Gentleman's frustration. That is why, when I was appointed, instead of waiting on areas like mental health, I went around the problem, approached Combat Stress and said, "What's important to veterans and victims is outcomes and getting a service. I'm not too fussed who delivers it. I just want to get the service delivered to them." I hope that is partly why we have got where we have with Combat Stress, but I am happy to listen to other areas of frustration and see what we can do to deliver the service.

**Mr Donaldson:** I entirely accept what the Minister has said. I have nothing but admiration for his efforts to ensure that veterans of our armed forces living in Northern Ireland receive the support they deserve. However, I have had constituents say to me, "I have returned to live in Northern Ireland, and the military covenant tells me that I should have access to medical care on the same basis as other residents of Northern Ireland, as if I had lived in Northern Ireland, but I don't". The covenant says not that there should be special advantages, but that veterans should not be disadvantaged by virtue of their service. In reality, veterans in Northern Ireland who return to Northern Ireland are being disadvantaged by their service. They go to the bottom of the waiting list, instead of being placed in the list where they would have been had they been ordinarily resident. That is what the military covenant should be doing for veterans, but it is not currently

delivering. We will be happy to meet the Minister to discuss how we can overcome this difficulty and ensure that the military covenant delivers.

We welcome and support the Bill and the Secretary of State's ongoing efforts to conclude the other elements of the Stormont House agreement. We stand with her on issues such as national security, and we hope that we will see this matter through to a successful conclusion. We all owe it to the people of Northern Ireland to do so.

**Mr James Gray (North Wiltshire) (Con):** On a point of order, Mr Deputy Speaker. It might help the House to know that, because of the time available for the following debate and because of the great importance of the business being discussed by right hon. and hon. Friends from Northern Ireland, I do not intend to move the following motion, in the hope that the Backbench Business Committee will allow me to bring it back before the House when we have more time to discuss it.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** The Backbench motion will not be moved. That is noted.

4.3 pm

**Mark Durkan:** Following the right hon. Member for Lagan Valley (Mr Donaldson), I want to make it clear that my party has not set out to oppose the Bill, but in the talks we worked for a better and fuller agreement than we have ended up with in the "Fresh Start" agreement. We also wanted one that was more competent and more cogent, and we feel similarly in terms of the legislation.

In opening Third Reading, the Secretary of State talked about the purposes of the pledge and the undertaking and said they were unequivocal commitments, but contrary to what she said, the debate on the amendments showed that the pledge and the undertaking are actually going to prove equivocal, ineffective and inert. So they will not even be fit for the purpose for which they have been offered, and that is bad legislation on our part. We regret the fact that Ministers remain tied to the idea that the terms of the "Fresh Start" agreement are themselves somehow adequate when it comes to legislation. The fact is that Ministers are pretending that the tyre is only flat at the bottom when they try to say that this is sufficient. The fact is that there are clear difficulties; there are clear gaps. This will not be fit to meet any of the bumps and challenges that we are going to meet in the road ahead, and we can point to experience to prove that.

On the new clauses that could not be fully debated, just as the right hon. Member for Lagan Valley has addressed new clause 5, which his party tabled, to answer some of what the Minister said, I want to make it clear that our aim was never to pre-empt the legislation that is necessary in relation to the past. That is why we would not have supported any amendment on the definition of victims or anything else.

On trying to make provision to establish an implementation and reconciliation group, our new clause did not venture into any of the possible roles that that group might have in respect of the past. It did not trespass on any of the understandings or discussions so far, but it tried to offer what we offered in the talks, consistent with our advocacy of a whole-community approach to achieving a wholesome society and of

[Mark Durkan]

having a tied-in approach by all the parties to taking responsibility for ending paramilitarism and overcoming sectarianism and for moving forward on flags, emblems and all those other issues that the agreement is meant to cover but that are not properly carried forward, unless people think that they are all just stuck in a sin bin to be parked at the office of the First Minister and Deputy First Minister.

One of the inadequacies of the latest version of the Stormont agreement is that too many of the issues that should have been the subject of cross-party approaches and commitments now end up named as Executive approaches and commitments at precisely a time when we are possibly looking at fewer parties being in the Executive. So the effort was made to get a cross-party agreement, but we end up with something that is expressed in the language of the Executive. We do not want a situation where parties not in the Executive in future can disown their leadership responsibilities on these key issues and somehow make a prosecution case against the First Minister and the Deputy First Minister or the parties that occupy that office for the failure to deliver on principles and precepts to which we were all meant to be setting our hand in the Stormont House talks and, indeed, the Haass talks before then.

Some of us have tried to offer broader bandwidth to the implementation and reconciliation group because we want a bigger, better, fuller and more meaningful agreement. We really do fear that some of the parties that support the limited terms of the agreement will be the very people who complain about its inadequacy, as we have heard today. More has been said on some of the issues today than I heard said in our negotiations during the weeks and weeks at Stormont House. It is really is a bit much when parties use this place to table amendments to try to show their difference but condemn the rest of us whenever we are consistent with our arguments in the talks. We are being absolutely consistent with those arguments in our amendments today, and in telling the Government to listen to everything that they have heard in the debate and everything that they will hear beyond it and to try to ensure that we have something that is broader, more sufficient and fit for purpose.

4.8 pm

**Danny Kinahan:** I will be very brief, but I want to get one message across that I think we all forget: the people of Northern Ireland want to move on and all the parties here want everyone to move on. We want to get the legacy issues sorted out; we want to get somewhere, so I am really disappointed today that we have listened to good arguments on a lot of good amendments but just had a blanket no. The Government could find ways in the Lords to amend the Bill to make it better and still make it work in Stormont. We have something that will not do what is written on the paper. It will fail. I want it to work and we will try our hardest to make it work, but we have really missed an opportunity today.

I served in Belfast in 1983, and losing one soldier from the Devonshire and Dorset Regiment, when we thought we had managed to get through on a blood-free trip, if I may put it that way, is difficult to this day. I am proud to have served there, as are many more, but I feel that we have not moved ourselves on today; we have not

taken the opportunities that we could have. I want to see us continue to make progress; I want to see things work.

I am concerned about the section 75 idea, because in my view it makes the military look as if we are a minority. The military should always be part of all society: it is not a minority; it reflects all angles. I do not think we have followed the right course there. We need to find a new definition of victims and we need to reflect on how to choose the First Minister and Deputy First Minister into the future. We cannot just keep ducking everything. I am glad that we have spoken today, but I feel that we could have done things much better.

4.10 pm

**Ms Ritchie:** I rise to speak on Third Reading of a Bill that basically addressed the independent reporting commission, the pledge, the budget and, through our various amendments relating to joint Ministers, the election. We have sought through Second Reading, through Committee and on Report to ensure that the Bill was strengthened, made more meaningful and made more robust. I hope only that the Government have listened and will bring forward appropriate amendments in the other place to deal with these particular issues.

So far, I have not yet heard from the Secretary of State. Perhaps she will drop me a line to say how much money will be made available to the National Crime Agency and to the Police Service of Northern Ireland, when that money will be released and what will be the split between the NCA and the PSNI, particularly in relation to the Independent Reporting Commission.

We tried to raise national security issues on Second Reading, and paramilitarism and criminality are to be addressed, but the Government have invoked and can invoke through this legislation national security, which means the protection of agents. That can impede the very work that we are trying to do. It also means both the Government and the paramilitaries will never be willing to ensure that the full truth about many of those issues is brought to light.

**Mr Wallace:** Is the hon. Lady saying that we should not invoke national security to protect informers, agents and people who provide information to the security services?

**Ms Ritchie:** What we are saying, or what I am saying, is that there should be full disclosure of information to ensure that all those who were, shall we say, involved in paramilitary activities are made responsible to the due process of the law. I do not think anybody could disagree with that.

Let me deal with an issue that is not contained in the Bill, but to which reference has been made—the lack of a comprehensive legacy Bill. We have already heard the Lord Chief Justice speaking in Belfast this week about the issue of inquests, referring to the role of the Northern Ireland Assembly. We also heard references made today by the Director of Public Prosecutions to that particular issue. What we need to see—I hope the Government are listening—is a credible legacy Bill that is seen to be credible by victims and survivors alike.

Since the Eames-Bradley report, we have witnessed a dilution of the proposals on the past. I say again that national security cannot be used as a catch-all for lack

of transparency or to suppress the truth that victims demand and deserve. I just hope that the Government have listened today, and that they will be able—I say this with a level of humility to the Secretary of State and to the Minister—to bring forward amendments in the other place that reflect what was said here today about the pledge of office, the independent reporting commission and the new clause and related comments put forward by my hon. Friends the Members for Foyle (Mark Durkan), for Belfast South (Dr McDonnell) and myself about the implementation and reconciliation group. I note what the Minister said about those issues, but I believe that in the months and years ahead, the Government—in whatever guise—will have to return to those questions and address them. They will not wither on the vine; they will still exist.

4.15 pm

**Jim Shannon:** It is good to be able to make a contribution on Third Reading. I should like to start by paying tribute to all those who have made this “Fresh Start” agreement possible. Difficult political situations in Northern Ireland require not only strong leadership but selfless leadership, and I believe that many people on this side of the Chamber as well as many outside have contributed to this process. I want to give special thanks to the former First Minister, Peter Robinson, for his hard work in his roles as First Minister and as leader of our party.

I congratulate the Secretary of State and the Minister of State on the long hours that they have put in and the significant contribution that they have made. I do not know how they kept awake in all those meetings, but they did, and they made sure that the business kept moving forward as well. They struck the right balance between those of us who are more sensitive to the past and those of us who have found it easier to move on. I also commend my right hon. Friend the Member for Lagan Valley (Mr Donaldson) for his comments on section 75. The hon. Member for South Antrim (Danny Kinahan) also mentioned that important issue, and I am disappointed that we did not get it sorted out. The veterans who have approached my right hon. Friend the Member for Lagan Valley are the same people who have come to see me in my constituency to discuss the same issues. If we were to convey all those requests from our constituents to the Minister of State, he would have a very full postbag.

I see that the hon. Member for Beckenham (Bob Stewart) is in his place. I should like to put on record the thanks of the citizens of Northern Ireland for the hard work that he has done and the contribution that he has made. I am ever mindful of the Ballykelly bombing; that story resonates with me and it always will. I want publicly to put on record my thanks to him for the leadership he showed on that day.

**Bob Stewart:** I thank the hon. Gentleman for being so generous about my record in Northern Ireland. I want to back up something that the right hon. Member for Lagan Valley (Mr Donaldson) has said. In 1988, an IRA gun team came to my house in Brussels to kill me. They were stopped because my son Alexander, aged 11, thought that something was fishy about three men asking to speak to his daddy. They went away and they killed two RAF servicemen up the road. The victims were not just in the UK; they were also on the continent of Europe, and probably elsewhere too.

**Jim Shannon:** I thank the hon. Gentleman for that contribution. The Lord’s hand was protecting him, as I am sure he knows.

**David Simpson** (Upper Bann) (DUP): I am sure my hon. Friend will agree that when people at home in Northern Ireland have received the call to put on the uniform of the Crown forces, they have never been found wanting. For them to be denied the full implementation of the Army covenant is nothing short of scandalous, and we need to keep working to achieve that full implementation for those men and women who have done their duty and tried to bring law and order to Northern Ireland. We need to keep working on this.

**Jim Shannon:** I thank my hon. Friend and colleague for those comments.

In the past few years, the Northern Ireland Assembly has had the longest sustained period of power sharing ever. Indeed, it is set to complete its first full term without suspension or collapse since before the start of the troubles. Let us look at the good things that are happening in Northern Ireland. Let us recognise that devolution is working and has the potential to work, and that under this “Fresh Start” agreement, it will do even more, only this time even better than it has in the past.

The peace has been hard earned and it is still fragile, but despite always being at the forefront of our minds, it is far from being our only achievement. The Assembly has achieved many things, including introducing free travel on public transport for the over-60s and securing Northern Ireland’s single largest investment by supporting Bombardier’s development of the new C series. Heating prices escalated, and we made payments totalling some £22.5 million to 150,000 households, with each household receiving a £150 fuel payment. The list goes on. It is clear that devolution with the Democratic Unionist party at the helm has really delivered for Northern Ireland.

This is a hard-won deal that is good for stability; good for Unionism; good for all parties; and good for Northern Ireland. We now have a real chance to go forth and build on what has been achieved to date. We can continue to build a new Northern Ireland for all of our citizens and for everyone who lives in Northern Ireland. We have learned from our mistakes when it comes to deals. If the deal does not resemble anything close to what we want, we must walk away. We have not walked away this time, because we have a deal. The “Fresh Start” agreement gives us a deal and a basis from which we can move forward. It gives us an opportunity to find a way forward for everyone in Northern Ireland.

It is important that we make the transition from agreement to implementation as smooth as possible. In his last speech as leader to the party conference, our former First Minister, Peter Robinson, said:

“Ulster is no longer at the crossroads—we’re on the motorway and on a clear path to a better future.”

We are very much in that position.

Building on the achievements of the Northern Ireland Executive, led by the DUP, we have secured the exemptions, subsidies and incentives we need to move forward. They include more than £500 million to help Northern Ireland move forward; and up to £2 billion from the UK Government to deal with welfare reform, corporation tax, legacy issues, and public sector reform. There are

[Jim Shannon]

formal structures to deal with the scourge of paramilitarism so that we can confine that episode to the history books where it belongs. The devolution of corporation tax is a game changer. For too long, Northern Ireland has been at a competitive disadvantage with the Republic of Ireland, which has had a much lower rate of corporation tax. With Northern Ireland enjoying relative peace and a highly educated and motivated young workforce, it now has the power to overhaul and revolutionise the Northern Ireland economy, bringing in the real quality, world-class jobs that our young people too often seek on other shores.

The “Fresh Start” agreement does just what it says on the tin: it gives us a fresh start. Let us keep Northern Ireland on that motorway to a better future. Moving forward, we do not under any circumstances want Northern Ireland to be a special case. Indeed, building the new and leaving behind the old still remains the aim. It is hard-earned provisions such as corporation tax and other such measures in this deal that will facilitate the completion of the transformation of Northern Ireland society. We have a much better understanding among our communities, and a much better agreement on where we are going. We have a long-term vision for Northern Ireland that will benefit our children and grandchildren. That is what it is about. Let us get to work, finish the job, have a fresh start from here on in, and keep Northern Ireland moving forward.

4.22 pm

**Stephen Pound:** As we move from afternoon to dusk, there is a tendency to allow an elegiac mood to suffuse the House, which is why the optimistic and forward-looking comments of the hon. Member for Strangford (Jim Shannon)—I would like to call him my hon. Friend—are so, so important. What a fitting grace note to end this afternoon’s discussions. We have today discussed matters of great seriousness—sombre matters, dark matters and worrying matters—but to hear that note from my hon. Friend gives me hope, and I think I speak for the whole House when I say so.

There are two things that are important to say at the end of this Third Reading debate. First, we are actually discussing an agreement. Let us not forget that there was a time not so long ago when it was somehow doubted that there would be a Stormont House agreement. It was somehow doubted that there would be a “Fresh Start” agreement. When I see the weary faces on the Government Benches and I think of those long nights, I know that it is a tribute to the individual commitment of Members on both sides of the House, from all parties and from all parts of civic and political society in Northern Ireland that we are actually here today, on the Floor of the House, discussing an agreement and a fresh start.

Secondly, it is important that we have spent an afternoon discussing Northern Ireland. For too long we have tended to speak of Northern Ireland only on occasion of crisis. We tend to speak of Northern Ireland when there is an urgent question or a statement to be made. This is legislation moving forward. This is serious, sensible and sober legislation cementing the bricks in the architecture of a terrorist-free—a paramilitary-free—Northern Ireland. It will allow the innate genius of the people of Northern Ireland to flourish in a way that it

has never had the opportunity to do. The fact that the people have succeeded in so many cases is a great tribute to their individual genius.

The right hon. Member for Lagan Valley (Mr Donaldson) quite rightly and seriously said that there was no consensus on the definition of a victim. We have considered the matter in great depth this afternoon and that discussion will continue. However, I was cheered and encouraged to hear him press the section 75 point, and I thought I saw the Parliamentary Under-Secretary of State indicate that he would look further at the matter. I would like to think that that is one of the positive things that we will take away from this afternoon’s discussion, but we have not heard the end of it. We have not heard the end of the implementation of the military covenant. When I look at the people sitting on the Treasury Bench opposite, I know that there are some powerful advocates for the covenant.

**Tom Elliott:** I hear what the hon. Gentleman says about the assertion of the right hon. Member for Lagan Valley (Mr Donaldson) about the definition of a victim, and he indicates that he has some sympathy with that. To be fair, the Parliamentary Under-Secretary of State and the Secretary of State also indicated their broad sympathy. However, as my late father used to say, “My pockets are full of that sympathy,” but it does nothing without action. I wonder when there will be action from the Government to do something about it.

**Stephen Pound:** We have heard advice on the Floor of the House from the Prime Minister’s mother, and we have now heard advice from the hon. Gentleman’s father. They are wise words. It is often said that warm words do not heat a cold house, and we need to see more action. The point that I was making is that I see people on the Treasury Bench who have a commitment to the implementation of the military covenant and experience of forces life, which gives me some cause for optimism.

The important, pertinent points made by the hon. Member for Foyle (Mark Durkan) resonated across the House and must be studied. When he talked about the nature of implementation within the Executive—obviously based on his own experience—he made some points that we cannot resile from and must discuss further. I love his expression about seeking a broader bandwidth. If he was an advertising copywriter, he would have made a fortune by now because he comes up with such wonderful expressions. I think we know what he is talking about and it is another thing to which we will have to return.

Forgive me for saying so, Mr Deputy Speaker, but the hon. Member for South Antrim (Danny Kinahan) made an emotional contribution, and quite rightly so. It came from the strength of emotion. He was absolutely right when he talked about people wanting to move on. He referred to the military being part of society. Let us not forget that, after all, the military are civilians in uniform. They are not a separate breed of people or race. They did not emerge from some test tube somewhere; they are civilians in uniform. Many of us have worn uniform and many of us might wear a uniform in the future. I hasten to add that Her Majesty would have to be very desperate to recall me to the colours. I believe that the Navy has moved on from sails since I left.

The hon. Member for South Down (Ms Ritchie) raised another point that we will have to consider again: national security. The sensitivity, particularly around the identification of agents, is intensely important, and I understand the strictures to which the Parliamentary Under-Secretary of State referred.

This has been a positive experience overall. Some considerable differences have been ventilated, particularly on the issue of the Oath, which may well be reconsidered in another place. I cannot speak for the Government—I never could even when we were in government—but I would like to think that, with good will and a fair following wind, there may be the possibility of the matter being considered. The Bill, in its totality and its generality, has the support of the House. We believe that the establishment of the independent reporting commission and the changes to the working of the Assembly, most of which were not contentious, are steps of progress that show a better way forward and should be supported.

It has to be said that further measures must be adopted to tackle paramilitarism, and we have done that this afternoon. Everybody in every speech that has been made has expressed a detestation of those who look back to the days of blood, to the bloody wars and to the paramilitaries' ruling the streets of Northern Ireland. We all know what a wonderful, incredible place Northern Ireland can be, what a place of stunning beauty and great initiative, entrepreneurship, imagination and wonderful people. When the dead hand of the paramilitaries is taken off, who knows what the people of Northern Ireland will achieve? Who knows how they might flourish even more?

I know that we all wish the Secretary of State and the Minister well in the work that they are doing, but I would like to think that everybody in the House also recognises the incredible contribution, sacrifices and devotion, as well as the sometimes unhappy and unwilling compromises, of politicians in Northern Ireland. We can be proud of the people who represent the people of Northern Ireland. This afternoon we heard much about them at their best.

Northern Ireland is continuing progress towards what we all want to see. A peaceful, prosperous future has taken another small step forward this afternoon. Let the

words of the hon. Member for Strangford ring in our ears as we go forward towards those sunlit uplands and that peaceful, prosperous future.

*Question put and agreed to.*

*Bill accordingly read the Third time and passed.*

## PETITION

### Newark Free School

4.31 pm

**Robert Jenrick** (Newark) (Con): The petition is from certain residents of Newark, in Nottinghamshire, in connection with the Newark free school. It refers to “many parents”, but in fact the number of signatures approaches that of most parents.

If ever one were to look for a more compelling case or site for a free school than this one, I doubt one could find it. I urge the Secretary of State and Lord Nash to approve the Newark free school as soon as possible. The petition states:

The petition of residents of Newark,

Declares that the Torch Academy Group's application for a free school in Newark should be accepted; notes that almost 50% of all secondary school pupils, resident in Newark, are currently being educated at schools outside of the town; further that many parents choose to educate their children at schools outside of the town because they are not satisfied by the academic standards routinely achieved by existing secondary schools in the town; further that over 400 children from Newark are currently being educated at Toot Hill school, Bingham, an outstanding Academy run by the Torch Academy Group; believes that the application provides a once in a generation opportunity to establish a benchmark outstanding secondary school in Newark which all parents of the town can have the confidence to send their children to; further notes that in excess of 200 children have already been registered as prospective pupils for Newark Free School; and acknowledges the outstanding leadership of Mr John Tomasevic, Chief Executive Officer of the Torch Academy Group which is leading the application.

The petitioners therefore request that the House of Commons urges the Government to approve the application for the Newark Free School as soon as possible.

And the petitioners remain, etc.

[P001678]

## Flexible Ticketing: Rail Transport

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

4.34 pm

**James Cartlidge** (South Suffolk) (Con): It is a great privilege to be called to speak in my first Adjournment debate, Mr Deputy Speaker, and for it to arrive early, which is not something we can always say about trains on the great eastern main line.

The great eastern main line is a massive issue for people in my constituency. Our railways are a key strategic asset and the performance of the line has, frankly, not always been up to scratch. I want to focus on an important part of the line: the ticketing structure, and the annual, monthly or weekly season tickets that my constituents buy. I feel strongly about the availability of part-time season tickets.

I am the first to recognise that hon. Members on both sides of the House have raised this issue and my right hon. Friend the Member for Witham (Priti Patel) has done a lot of work on it. Pressure groups such as Transport Focus have campaigned for it. I am proud to say that it featured in the victorious Conservative manifesto at the last general election, which stated:

“We will also introduce smart ticketing and part-time season tickets.”

Why did I want to secure this Adjournment debate? It is basically due to lobbying from the focus group—the lobby group—that matters more than any other to me: the hard-working commuters and constituents of South Suffolk. To make my case, there is nothing better I can do than to follow the example of the Leader of the Opposition and read two emails from my constituents. I have had many emails about this, but two in particular cover the case for flexible ticketing.

The first is from—

**Bob Stewart** (Beckenham) (Con): Rosie.

**James Cartlidge:** Calm down. It is from Deborah Adams of Sudbury. Sudbury is the main town in my constituency—a beautiful market town; the home of the great Thomas Gainsborough. She writes:

“A few years ago David Cameron announced the phased introduction of flexible season tickets for rail travel. As someone that commutes to London from Sudbury 2-3 days a week, this struck me as a very good idea. However, I have not been able to find out any more about it.

Flexible season tickets are an excellent idea, especially for constituencies like ours where there are large numbers of commuters. Many work from home some days, which makes the price of a regular season ticket of questionable value.

Flexible season tickets would encourage more people to work from home some days, which would reduce overcrowding on the trains, and would benefit South Suffolk, as more people would have time to spend their London wages locally.

It is very old-fashioned to think that workers go to their office every day and we should not be penalised for flexible working.

A system whereby a commuter could say buy 10 day returns for the price of 6-7 would really encourage the flexibility that the modern work force needs when juggling work and family life.

What do you think about this?”

She hits the nail on the head.

**Mr Ranil Jayawardena** (North East Hampshire) (Con): Does my hon. Friend agree that his constituent makes a good case for using new technology and the new options in e-ticketing? If it is possible to board a plane using one’s iPhone, would it not be possible to board a train?

**James Cartlidge:** My hon. Friend makes an excellent point. I will talk about technology later in my remarks.

Another email that hits on some other points is from Russell Badrick, a solicitor who works in London but lives in Nayland, a beautiful village on the Suffolk-Essex border by the river Stour. He says:

“I was born in the constituency, and have recently moved down the road from you, to Nayland. I am a commuter and work in London. I work from home one day a week, and I commute the other four days.

You no doubt must receive a great many messages complaining about the Abellio Greater Anglia Services, which are generally very poor. The notion that they might be nationalised is obviously crazy”—

he is clearly sound. He continues:

“I wanted to ask you if anything was being done to persuade Abellio to introduce flexible tickets? It is becoming increasingly common for people to work from home, yet we are still forced to pay the season tickets for the entire week, month or year. For me, that means paying for 365 days of travel, when in fact I only travel on 208 of these. In fact, when holidays are discounted, I only travel 192 days a year.

On the basis of me paying £5,520 a year (i.e. 15.12 a day), this means I am really overpaying for 173 days a year – i.e. a full £2615.76 – again, obviously crazy.

I appreciate this is a business decision on the part of Abellio, but in this situation I, like many of your constituents, are captive consumers. Can anything be done about this?”

I should add as a caveat that while he talks about £2,615.76, Members—especially my hon. Friend the Member for South Thanet (Craig Mackinlay), who I believe is an accountant—will know that that is taxed income, so the real figure is far more than that.

**Robert Jenrick** (Newark) (Con): My hon. Friend makes a compelling case. We all know that there is a commuter belt around London and other major towns and cities, but there is a huge economic opportunity for towns and communities just beyond that, from where commuting into a great city full of opportunities, such as London, is possible one or two days a week, but is onerous five days a week. In my constituency, there are 500 people with daily commuter season tickets from Newark to London, but it is very tiring to make that journey every day of the week and most of those individuals do it only one, two or three days a week. Does my hon. Friend agree that we want people to have these opportunities because that brings wealth and new opportunities for fulfilling careers into a whole belt an hour or more further north, south, east and west of London?

**James Cartlidge:** My hon. Friend makes an excellent point. When I had the pleasure of campaigning in his by-election, I remarked that I was in a beautiful part of his constituency.

Before turning to the points made by my commuting constituents, I want to set the context of South Suffolk. In many ways, it fits the pattern described by my hon. Friend. The key to its beauty is that although we are not that far from London in commuting terms, we really

feel like we are in East Anglia. There are many beautiful counties in the south-east, but people feel the pull of the M25 and of London. Once they get to South Suffolk, they feel as though they are in a different part of the country. The area has beautiful ancient villages such as Lavenham and Long Melford, which are famous and attract many tourists. Nevertheless, from Colchester, which is an 18-minute drive from my village, we can take the express train and get to Liverpool Street in 47 minutes. Although we are a long way from London in one respect, we are certainly well within commuting distance.

**Mr Jim Cunningham** (Coventry South) (Lab): I congratulate the hon. Gentleman on securing a timely debate. I do not wish to be political, but members of voluntary organisations, such as church people, who have to come to London from Coventry or Birmingham find their travel very expensive. Many of them have retired. Although the operating companies have assured us that they will provide cheap travel, they have not done so. Those people find that they are spending four times more than they would have spent in the past. What does the hon. Gentleman think about that?

**James Cartlidge:** The hon. Gentleman makes an excellent point. Towards the end of my remarks, I will come on to the question of how we pay for cheaper travel, because the rail operating companies obviously have to find the revenue from somewhere.

I represent a commuting constituency, although fine manufacturing industries are based there, as well as agriculture. I was brought up in Barnet in north London and moved first to Essex. When Emily and I moved our family out to South Suffolk, it was because we wanted to be able to afford a house that had some land and was in a beautiful part of the world so that we could have that quality of life, and because we wanted to move out of the London rush, so to speak.

This issue will become ever bigger. Partly because of London house prices, there will be a great exodus, particularly of professional families, to Suffolk, Kent and so on, right up to Newark. People will move out in search of a better quality of life. If that is their motive, will they still expect to travel five days a week when they face such a long journey? As my hon. Friend the Member for Newark (Robert Jenrick) said, many of them will travel four days a week, and that is my experience. I have noticed a marked number of people on my local trains doing four or three days because the journey is so long.

**Mr Alan Mak** (Havant) (Con): I congratulate my hon. Friend on securing this debate on an important subject. As in his constituency, many of my constituents have moved away from London for precisely the reasons as he articulated. They now travel from stations around the Solent region—Havant, Emsworth and Bedhampton—to London for work. Will my hon. Friend join me in calling on South West Trains and Southern to reflect changing living and working habits in their flexible fare arrangements?

**James Cartlidge:** I am more than happy to do that. The franchise in our area is Abellio Greater Anglia. My region is fortunate in at least one sense—I am not sure what the score is in my hon. Friend's region—because the franchise is up. There are three bids going in for it.

Let me take a few of the key points from my constituents about why we should have part-time tickets and more flexible ticketing. Deborah from Sudbury said:

“It is very old-fashioned to think that workers go to their office every day and we should not be penalised for flexible working”—

I totally agree.

Some years ago, I went to a presentation about voting patterns by a leading American psephologist. He said there are three groups of voters in the country. I cannot remember two of them, but the other was symbolised by a grey cloud. That was not a political point; it was about character and how we appeal to different types of voter. The voters symbolised by the grey cloud had certain features, one of which was that they were moved by newspaper headlines about bad weather, which is quite interesting. However, the most common feature was that they ate their dinner at the same time every day—quite frankly, that describes my late grandad. However, the era of predictability, of nine to five and of everyone doing the same thing all the time is gone; it has been shattered and blown apart by liberalisation and globalisation. That might be a good thing or a bad thing, but it is a fact of life that we and our constituents all face, and our rail ticketing system should reflect that.

**Kevin Foster** (Torbay) (Con): I congratulate my hon. Friend on securing the debate. Would he say that this is also about reflecting families' changing lifestyles, in that the 1960s model—the father commuting to work five days a week while the wife was at home with the children—is now gone? With men and women rightly sharing parental responsibilities, they may wish to divide up the days of the week that they work, and season tickets need to reflect that.

**James Cartlidge:** That is an excellent point. Recent Office for National Statistics data show that between April and June 2015, just over 7.3 million people had a flexible working pattern. By the way, that is people who are employed; it does not include the army of people such as self-employed contractors who go into London a few days a week. We have a flexible labour market and flexible working, but our rail ticketing system is, in effect, stuck in the same Julian calendar that we have had since 46 BC. If that sounds like a long time, hon. Members should wait until they get stuck on a delayed service out of Liverpool Street.

Russell from Nayland made an important point about bad value for money:

“On the basis of me paying £5520 a year...this means I am really overpaying for 173 days a year”

of travel, which is an extraordinary statistic. That means that he is, in reality, paying £2,615.76 or, depending on his tax bracket—if he is a solicitor, I suspect it is 40%—£4,000 or more for those 173 days. That is a big deal, particularly in our region, because an extensive survey recently undertaken by Transport Focus found that just 21% of the commuters on Abellio Greater Anglia were satisfied that their ticket was value for money, compared with 34% on other lines. I realise that I may end up in a competition with hon. Members in the Chamber about whose line has fewer happy customers, but there is no doubt that value for money is a big concern.

[James Cartlidge]

It is fair to say that if there was more satisfaction with value for money in general, the issue of part-time tickets would not actually feature. I get these emails because people feel frustrated that they look hard at what they are getting and think, “Hold on a minute. I’m paying for Saturday, Sunday and Friday.”

**Robert Jenrick:** Perhaps I could add another point. When we think of those who commute into central London, we tend to think they are on higher incomes, but that is not always the case. I have many constituents who commute into London, but also some who commute into Nottingham and Derby, and some of them might be on very low incomes. The average wage in my constituency is £23,000 a year, and commuting costs, even from Nottingham to Derby, certainly eat into that. One group that came to me recently was made up of apprentices; they do not go to work every day of the week, because, in many cases, they will be doing courses at the local college. They might want to go to Newark College, which they can walk to, one day a week, and do three or four days a week at Rolls-Royce in Derby. A full-time season ticket will eat into their quite modest incomes.

**James Cartlidge:** Another excellent point.

What is to be done? To go back to my constituents, Deborah suggested this:

“A system whereby a commuter could, say, buy 10 day returns for the price of 6-7 would really encourage the flexibility that the modern work force needs when juggling work and family life.”

There is a word for what she proposes—it is “carnet”—and I must confess that, when I lived in Barnet, I used a carnet. [Laughter.]

**The Parliamentary Under-Secretary of State for Transport (Claire Perry):** It’s “car-nay”.

**James Cartlidge:** In French it is a “car-nay”; in Barnet, we called it a “car-net”. It was a small book of tickets that were usually valid for up to three months on the tube, which was very handy and convenient when I was teaching English as a foreign language and did not know which days I would be working. Of course, that has been phased out now that we have moved to the Oyster system. The key problem with the previous system was the absence of technology. If we want flexible ticketing, we need the technology, as my hon. Friend the Member for North East Hampshire (Mr Jayawardena) has said.

**Bob Stewart (Beckenham) (Con):** I rise because I am an expert on technology. Train companies could easily do this through the use of technology, but they do not want to do it, because they make a profit out of people such as my hon. Friend’s constituents and mine in outer London. They could easily do it with—what is it?—a part-time Oyster card or something.

**James Cartlidge:** My hon. Friend makes a powerful point. I will come on to how we would pay for it and the position of the rail companies.

I want to reflect on the progress that has been made, because there is a lot of ongoing work and it was in our manifesto. To be fair to the Government, in October 2013

the Department for Transport published its fares and ticketing review, which proposed several schemes to make ticketing more flexible, including long-distance pricing, advance tickets on the day of sale and flexible part-time season tickets. The report stated that the plans could mean

“receiving a discount on season tickets for travelling three days rather than five, or for travelling earlier or later, avoiding the busiest trains, or there could even be an incentive for not travelling on certain days of the week”,

all of which I welcome.

**Mr Jayawardena:** I thank my hon. Friend for giving way again. He is making a very strong case for flexible ticketing in terms of not only the number of days, but the way in which we manage demand on the railways. Often there is capacity available, but it is underutilised, so flexible ticketing could incentivise us to make better use of our railways. That is particularly true of students; indeed, those in my constituency have said that they would welcome that.

**James Cartlidge:** That is another very good point.

The south-east flexible ticketing programme is the main system that is being developed. There are many ways to describe it, but I call it the Network SouthEast Oyster: it is the equivalent of Oyster for the south-east overground. The beauty of South Suffolk, however, is that technically we are not in the south-east, but fortunately we are part of the south-east flexible ticketing system. I hope the Minister will tell us more about that programme and the progress it is making.

I wrote to the three companies bidding for the Anglian franchise to ask them what their plans were for flexible ticketing. Chris Atkinson of National Express highlighted that it currently holds the c2c franchise and that flexible season tickets will be offered on that line as early as this summer, so progress is being made.

Jamie Burles of Abellio Greater Anglia explained that the company will be extending two innovative flexible ticketing schemes to customers during the current franchise, which I welcome. The first will be SEFT, which I have described, and he also told me of a live trial with a third-party smart ticketing supplier that is providing a post-travel account-based payment solution—the multi-pass scheme—which is currently being trialled on the Cambridge to London line. The company plans to extend it to other parts of the network in the first quarter of this year.

**Craig Mackinlay (South Thanet) (Con):** My hon. Friend has identified how technology can solve the problem. It is remarkable how the Oyster system can completely change our approach to tickets and the archaic way of doing things. The situation is similar in my constituency. More and more people are moving there—who can blame them, given that it is a beautiful part of east Kent?—but the cost per year for high-speed rail is more than £6,000. We find that modern working can mean working two or three days a week. I hope that this debate will encourage the train companies to consider their commerciality, because this could be good for them as well as for local residents, who are the key to improving the local economy of those over-50-mile-fringes outside London.

**James Cartlidge:** My hon. Friend makes an excellent point. I was about to mention Oyster and technology. In January, Transport for London said that more than a quarter of the capital's pay-as-you-go transport customers were now using contactless payment, including smartphones and debit cards. That is an extraordinary statistic. Usage has grown incredibly quickly, and that shows the potential of technology. There is no reason why my hon. Friends should not put pressure on bidding companies in their area to take up smart ticketing when the franchises come up.

**Wendy Morton (Aldridge-Brownhills) (Con):** I am envious of other hon. Members who are here today. Some of us do not even have a station in our constituency, so I have to make a plug for a station. Notwithstanding that, I am grateful to my hon. Friend for raising that point, because it brings up the broader need for flexible travel and flexible pricing. Can they be used to tackle problems such as congestion?

**James Cartlidge:** I thank my hon. Friend for her intervention. She has reminded me that I should add, for the record, that I have only one station, Sudbury, in my constituency. The Sudbury line goes to Marks Tey, where it joins the main line. Apart from Sudbury, all the stations on that line are in Essex. Many of my constituents go to Manningtree, Colchester or Ipswich, which is on the main line into London. I am sure that even though my hon. Friend has no station in her constituency, many of her constituents are rail commuters who travel to stations nearby.

I have a few specific questions for the Minister. In a situation like that of Anglia, where we have a live franchise bidding process, to what extent can we still influence that? Given the interest in flexible ticketing, to what extent could the Department for Transport go back to the bidders and ask them to push for better flexible ticketing solutions? Another hon. Member, who could not make it today, asked me how he could get involved with the South West franchise, which is coming up for renewal soon. I suspect other hon. Members will want to do likewise.

On technology, I was struck by the point about the use of smartphones on Oyster. To what extent is smartphone-based ticketing possible with the SEFT system, and how soon could that come about—if, indeed, it is not already coming about through testing?

Finally—I believe that this is unique to my region; certainly, I do not think it applies to other Members who are here—there are live discussions about a combined authority between Suffolk, Norfolk and Cambridgeshire. That is a major step for our part of the world. What powers does the Minister think might be given to an elected mayor or combined authority in relation to ticketing, flexibility and so on? That is a classic example of the sorts of powers they should have.

On cost, I am a businessman by background and a Conservative, so I am well aware that money does not grow on trees, and that if we suggest policies we have to be responsible and explain where the money will come from. As my hon. Friend the Member for South Thanet said, I think that more flexible ticketing will pay for itself, to a certain extent. It will entice a certain type of skilled person—someone who has become a full-time mum, for example—back into the workplace because

they can commute a few days a week. That will suit their living pattern and their work-life balance. In other words, it will bring new revenue to the companies, so I think they should embrace it and be bold about it.

The other point I would make is that if rail companies would lose a lot of money by introducing part-time tickets, that tells us that they are basing their business model on something that is not sustainable or, dare I say it, even fair. The idea that profits are based on people paying for millions of days that they never use and phantom journeys that they will never take seems quite incredible.

**Robert Jenrick:** My hon. Friend is being generous in allowing interventions. As other hon. Members have said, there is a huge economic opportunity for rail companies to create a whole new generation—a wave—of commuters beyond the classic 50-mile commuter belt and spread those opportunities another 50 miles or 100 miles outside London. That is a massive financial opportunity for train companies that they will have to harness over the next 10 or 20 years as London becomes an increasingly expensive place to live and commuters look not just to the classic commuter belt, but as far as my constituency in the north midlands.

**James Cartlidge:** That is the key point. The rail companies really need to embrace that as a positive opportunity to strengthen their revenues and build a new customer base.

The Government need to see the big picture in terms of the wider economy. There is no doubt that this country's long-standing economic failing has been, and continues to be, relatively low productivity compared with other European nations. However, one of our big assets is our flexible labour force. Every part of our country, our key infrastructure and the way in which we interact with that infrastructure should reflect the fact that we have a flexible labour market and a mobile workforce. That will maximise productivity, and it will ensure prosperity and a better work-life balance for years to come. I say to my hon. Friend the Minister that in the era of flexi-time, we need flexi-fares.

4.59 pm

**The Parliamentary Under-Secretary of State for Transport (Claire Perry):** I was wondering when the Adjournment would be moved formally again, but I will get started in the interim. May I start by—

5 pm

*Motion lapsed (Standing Order No. 9(3)).*

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

**Claire Perry:** I am a former Whip, so I know the tricks. I should say that I will not take all of the remaining time.

I want to commend my hon. Friend the Member for South Suffolk (James Cartlidge) for securing this debate. His constituents are incredibly lucky to have him. The same goes for all my hon. Friends in the Chamber tonight. The class of 2015 is particularly assiduous in campaigning. *[Interruption.]* Some Members from previous classes are also assiduous. I sometimes feel I am the

[*Claire Perry*]

most popular Minister, even though that is not true, because I am the one most frequently lobbied—on train-related issues. I appreciate the opportunity to answer some of my hon. Friend's questions and to put on the record some of things that the Government are doing.

I first want to unpick what we mean by part-time season tickets. I think the definition is quite confusing. We mean a product that people who work part-time—about 27% of workers do so—can buy to give them, in effect, a multibuy discount. With that product they would not be forced to buy weekly season tickets, but something more suitable for their journeys. My hon. Friend made very good points about grey consumers—is that what he called them?—who sit at home having caught the 18.23 every day. That pattern is changing so dramatically. Technology is liberating many people from the workplace. We know that many more women, in particular, are working part time. The Government are absolutely committed—indeed, we have committed funding—to ensuring that such people can use the rail system effectively. In terms of “car-nay” or “car-net”, depending on how my hon. Friend used to pronounce that word in “Bar-nay” or “Bar-net”, I like to think of carnets as a multibuy discount.

I want to separate out another thing about which the debate has sometimes got bogged down. The decision on multibuy discounts is separate from the decision on ticketing technology. It is perfectly possible—indeed, this happens already—to buy carnets on the rail network, albeit in ticketing form. People can buy 10 tickets for the price of nine, and there are various other options. However, we must be careful not to try to have a big bang to solve all these problems at once. The industry has often hidden behind the excuse that this is all so terribly difficult. For me, it is simply a question of sorting out the right fares to suit this part-time working group, which is separate from the issue of ticketing technology.

As my hon. Friend well knows, because he is a very good businessman, there are a few questions to pick through when we talk about fares. The two main issues are those of cost and timing. On cost, train companies say that if people who currently buy full-time season tickets are suddenly given the opportunity to buy tickets for less, it will lead to less revenue, meaning that somebody will have to pay. My understanding is that only about 10% of current rail travellers work part time, so those numbers may be lower than they are represented to be, but ultimately, if there is an additional cost in the form of reduced revenue for the rail industry, somebody will have to pay. That will be other fare payers, through increased ticket prices—we absolutely do not want that, which is why we have capped rail fares for the duration of this Parliament—or the Government, who will be asked to pay up front or through the franchising process, or the companies, which will have to commit their own capital to make up for the shortfall in fares.

All those points are valid. The Government have committed £132 million to introducing such products during this Parliament, so we are clearly prepared to pay our fair share. However, the measure is slightly crude, because it ignores some of the points very well made by my hon. Friends. There is a series of costs to

society that are avoided by getting people to use trains, such as the cost of congestion, which we always find very difficult to price.

There is also a massive productivity uplift from getting more people travelling. We know we have a massive skills shortage in this country, so if we can get more people back into work part time and working more effectively, that has to be good for productivity. As we have seen with Transport for London, if people are given slightly more attractive fares, more people will travel, so what a company might lose in value, it will gain in volume. It seems difficult to get people to model that in the round. That is always difficult with any infrastructure investment, but I believe we should be considering these benefits collectively, and that is why the Government have underpinned those programmes with £132 million.

On timing, we can either impose the roll-out on the industry all at once, or we can do it with the franchising competition. My preference is always to do it while franchising, because a competed price is always a better price. We are relying on the franchising process to drive innovation wherever possible, albeit with Government underpinning if we want to do things that cut across the franchising schedule. Many franchising competitions are ongoing, including that in the constituency of my hon. Friend. I cannot possibly say anything about what is happening, because those bids are live and under evaluation, but my hon. Friend knows—he has campaigned assiduously on this—that we have made it clear to bidders that we are looking for a step change in technology, in the customer experience, and in how innovative ticketing solutions are delivered. I am confident that we will start to see progress.

As my hon. Friend said, Abellio Greater Anglia has introduced two forms of ticketing progress. One is underpinned by the Government's £80 million investment in the south-east flexible ticketing scheme, and we will meet our contractual commitments. SEFT is basically providing a back office for rail companies to offer smart season tickets on a key card basis, and I look forward to launching that product in a couple of weeks from Cambridge station. It will be going live on my hon. Friend's line, and is already live under other train operating companies in the south-east. Therefore, not only do we have a digital ticket, but there is also the opportunity to build a customer relationship, and to offer things such as season ticket discounts to provide potentially automated compensation in the way that C2C does. That is a good step forward.

Abellio Greater Anglia is trialling the MultiPass scheme that uses low-energy Bluetooth readers across stations, tracks people via their phone and works out their journey patterns, and bills them after the fact. That is a great example of innovation in the industry. My hon. Friend asked whether it was possible to travel using a smartphone, and it is. The m-ticket scheme is already up and running. I went to see it a year or so ago in the north of England, and it is spreading rapidly. It is basically a series of barcodes that are sent straight to a mobile phone. Someone taps that, and it becomes their ticket to travel. It is brilliant and should be much more cost-effective for the operators.

There is a lot of ticketing innovation out there for us to unleash. Rather than sitting around waiting to be told what to do by the Government—who despite the

best efforts of the brilliant officials in the Department are not necessarily on top of the latest technological revolutions—those companies that are closest to customers should innovate and be prepared to put in their capital and innovation to drive results. We want the franchising process to do that.

My hon. Friend asked me some specific questions. During the franchise, can we go back and influence what is happening with the bidders? The bids we have refer to our terms and conditions, which include fairly specific requirements on smart ticketing and part-time season tickets or multibuy discounts. He will also know—I am proud of this—that this franchise is a step change from where we were five or 10 years ago, as have been the last few franchises that I have let. We are putting in the franchise the highest level of quality scoring—the stuff that faces the passenger—that we have ever seen. We have had other debates on rolling stock, and the quality of that is not what it should be. This franchise will have the highest weighting for improved rolling stock that we have seen so far.

We will also have tough targets to contract for customer outcomes—one might imagine that we would have done that previously, but that has not always been the case. We are contracting to ensure that the punctuality and customer satisfaction targets that we want are an output—we are contracting not for inputs, but for outputs—and I think that we will see a positive result when we assess the various bids for this competition.

My hon. Friend asked about technology. I have mentioned the Multi Pass trial, which uses low-energy Bluetooth readers. We already have Smartphones that are using a digital barcode, which can also be printed out, as a way of allowing people to move around the system. A chap on the Moscow metro has his smartcard implanted in his wrist, so he is a human swiper; he just walks through and away he goes. I am not advocating that, although my hon. Friend would perhaps like to pilot it, but we are moving very rapidly in this country to innovate.

I have been shameless in calling for the death of the tangerine ticket. It bothers me that season ticket holders have scrabby old bits of paper that fray and wear out. I am sick to death of feeding my seat reservation coupon through the gate and shuffling through a great raft of tickets. This is 1970s technology and we want a 21st-century transport network. That is why the Government are

so committed, both contractually and financially, to underpinning this technology.

My hon. Friend asked me about the combined authority, and he knows that we are great fans of devolution. We think that the best way to spend the record levels of investment in the rail programme is by pushing it through to local people—to local authorities—who are best placed to spend it. I must take the opportunity to commend the work that has been done by local councils, local enterprise partnerships and the so-called “Norwich in 90, Ipswich in 60” taskforce. They really have taken an argument about economic value added and used it to shape what they want franchising to look like in the area.

This is an excellent opportunity not only to put on the record the progress that we are making and the Government’s commitment to rolling out the SEFT contractual obligations, but to say that we do not want to stand still and be backing only one technology. There is a world of ticketing innovation out there and we want to be clear that it is to be delivered as soon as possible to customers. The Government stand by ready to underpin some of this, but we expect operators to be looking carefully at the business case themselves and thinking about how they can get people travelling off peak. My hon. Friend the Member for North East Hampshire (Mr Jayawardena) made an important point about that, because the trains are full at the peak but are carrying fresh air for large parts of the day. Let us have a ticketing and fares structure that gets people using those trains, so that we do not have to keep building expensive new tracks and buying new trains to deal with the peak demand.

I remain extremely committed to rolling out what I prefer to call a multibuy discount ticket, although my hon. Friend the Member for South Suffolk has a snappy way with his branding and can perhaps help us to come up with a snappy title for this part-time season ticket thing that we all want, even though we cannot necessarily come up with a good title. The Government are committed to these innovative products as part of the biggest railway investment we have seen in this country since Victorian times.

*Question put and agreed to.*

5.12 pm

*House adjourned.*



# Westminster Hall

Thursday 10 March 2016

[JOAN RYAN *in the Chair*]

## BT Broadband Provision: Local Businesses

1.30 pm

**Helen Goodman** (Bishop Auckland) (Lab): I beg to move,

That this House has considered BT broadband provision for local businesses.

It is a pleasure to see you in the Chair, Ms Ryan. The Minister and I have sparred on many occasions about the state of rural broadband. I have been away from this brief for 18 months, but now I am returning, as a constituency MP, because things have not improved as we had all hoped. I want to bring some stories from my constituency to public attention, because I cannot see how, apart from by doing that, we will exert any real pressure on BT, which I think is becoming more and more complacent.

The first big problem in my constituency was faced by an auctioneer called Addisons, which was located in Barnard Castle. Addisons had been there for decades and increasingly found that auctions needed to be conducted over the internet. It would get better prices if it could conduct auctions over the net, but the connection offered by BT was not fast enough for it to be able to do that, so the firm closed, with the loss of dozens of jobs.

Last autumn, William Smith, a firm that has been working in Barnard Castle since 1832, got in touch. In October 2014, it ordered a short haul data service, at a cost of £30,000 up front, with a subsequent monthly fee of £16,000. Let me explain in more detail the situation of this family-run company in my constituency. It had a place in the middle of town and then it wanted to operate a larger warehouse on the outskirts of Barnard Castle. To do that, it needed a new data link between the two sites. As I said, the firm went to BT in October 2014. It said to BT, "We're building a new warehouse"—the warehouse cost £2 million—"and we need this data link so that we can use it. Without the data link, we can't use the new warehouse and our staff can't work effectively."

Nine months later, nothing had happened, so the firm got in touch with its Member of Parliament and complained about that, reasonably enough. I thought, "Well, I used to be the shadow Minister. I know all the right people in BT; I know the public affairs people. I'm sure we'll sort this one out in a trice." I could not have been more wrong. We got in touch with the public affairs department. My staff were in almost weekly contact. We got in touch with the chairman of BT, Sir Michael Rake. Again, we made absolutely no progress.

I was very concerned because at one point we were not even getting responses from BT, so I asked the Minister to get in touch. The Minister got in touch, and the upshot of that is that the firm now has one of its links established, but it needs more links. The situation is rather complicated. It needs more capacity on the link, so we are still not there completely. The first section was

completed on 29 February, 17 months after the firm paid its £30,000 up-front fee. That is not acceptable, and everyone knows that. However, that is not the only ongoing problem in my constituency. There is also a problem in Whorlton.

**Anne Marie Morris** (Newton Abbot) (Con): The hon. Lady is making an absolutely first-class point. Does she agree that the nub of this is that no priority or even equality of treatment has been given to the business community? In my rural constituency, there are businesses that can get absolutely nothing. We need parity between businesses and others in order to get businesses properly supported in terms of technology, IT support and broadband; otherwise, productivity and the mission to increase productivity become, frankly, a dead duck.

**Helen Goodman**: The hon. Lady is absolutely right. I will detail my next case and then come on to the general issues that she raises, because I agree with her entirely.

In Whorlton, the Danshell Group has a care home for vulnerable people with learning disabilities. It paid an even higher fee, £100,000, for its links, because it is trying to help people to maintain contact with their families through Skype and it is using sophisticated technology in other ways to provide therapies for those people. It still does not have its connection.

When people are paying these very large sums of money and they get in touch with BT months before they want the connection, they should expect a decent level of service. One thing that struck me in the William Smith case was that every time we rang BT, there was a new problem: it had to go under the road; the fibre had to be blown; there needed to be a new duct here; there needed to be a new duct there. It became absolutely clear that at no point had the people in BT sat down and made a plan. They had not looked at what was needed and said, "Okay, if we're going to achieve this by then, we need to do this on date A, this on date B and this on date C." There was no plan. It was as if they were complete amateurs and had never done it before.

**Damian Green** (Ashford) (Con): To illustrate the hon. Lady's point, which is about not so much the inability as the unwillingness of BT to acknowledge that it is a joined-up operation, I want to read out an email sent to a constituent of mine in the last couple of weeks by someone in the executive level complaints team at BT. My constituent had complained, not unreasonably, that he could get only 1 megabit. The email reads:

"Our suppliers (Openreach) are in charge of this network and they would not consider any request from the public to move lines or modify serving exchanges, with the view to simply improving broadband speeds."

I cannot but take that apart. Openreach is not a supplier to BT; Openreach is part of BT. It is dishonest of BT to pretend that somehow Openreach is a separate operation. Also, that allows it to say, "I'm sorry. Just because the public ask for higher broadband speeds, you can't expect us to provide them." That is completely unsatisfactory.

**Helen Goodman**: The right hon. Gentleman is absolutely right, and his constituency of Ashford is not even particularly rural; it is not as if the company has to travel dozens or hundreds of miles to make the connections in his constituency. It seems to me that it has a particular

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problem with the small business sector and it has a problem the minute someone is outside one of the large urban areas. Further to the point made by the hon. Member for Newton Abbot (Anne Marie Morris), it is obvious that the benefits of good internet access are greater in rural areas than in big urban areas, because, as anyone with a rural or semi-rural constituency knows, vast amounts of resource go into transport and moving stuff and people around.

**James Cartlidge** (South Suffolk) (Con): I am sure that every hon. Member present is getting a feeling of déjà vu and agreeing with pretty much everything that the hon. Lady is saying. I have a similar case. Stoke by Nayland golf club in my constituency ended up doing a self-dig in March last year. It dug its own line, with the agreement of Openreach, after many months waiting for BT Openreach to come and put down a line. Recently, an engineer finally turned up, offering to put down a line. That company in my constituency had already dug into the ground itself. Does not that prove that there is a massive breakdown in communication between Openreach and whoever the actual supplier is?

**Helen Goodman:** The hon. Gentleman is absolutely right. Now, the Minister made a rather good speech yesterday in a similar debate, in which he said that BT was spending far too much time buying sporting rights and not enough dealing with the problems. He is right. BT needs to concentrate on the day job but it is not doing that. This infrastructure is vital to the country's productivity.

**Jo Churchill** (Bury St Edmunds) (Con): My constituency is located slightly above that of my hon. Friend the Member for South Suffolk (James Cartlidge), and we have problems across the constituency. To further reinforce what the hon. Lady is saying, some companies in my constituency have now produced their own lines, and doing that cost a company I spoke to this morning, which has had the problem since last May, £6,000. That company can afford it, but that might not necessarily be the case for my small businesses or when there are issues of safety, such as when my farmers are involved.

One local business—this trumped everything I have seen—had its line, let's just say, "reallocated". The business line was not identifiable enough so it was reallocated to a homeowner. It took BT five to six weeks to figure out where the business line had gone and that it had redirected it. The gentleman in question was passed back and forth between line and broadband engineers. After a month, his broadband was reinstated. However, his connection speed was reduced by half. For the past three months, he has been forced to drive 25 miles to another office in Ipswich where he can access broadband. He identified the lack of supply and poor customer service as the two main obstacles to resolving his case. I would love to say that that example is isolated but it is not, and it has a real impact. The Minister knows, because I have seen him on many occasions, that the problem really affects my rural constituency.

**Helen Goodman:** It certainly does. The issue affects the hon. Lady's constituents and the whole country. Our productivity is not rising as it is in the other G7 countries, and it has not been for eight years. Proper

investment in infrastructure is one of the ways that we can get our productivity up, from which we will all benefit. When it works, it is really great.

There is a quarry in my constituency that has a very good website and, because of its website, it is able to sell stone to Spain because the Spanish people who are building the cathedral in Barcelona—the Sagrada Família—saw that the stone was the right colour. That is fantastic. When it works, it is brilliant, but it is not working often enough. The OECD and the International Monetary Fund say it; everybody says it. I really feel that the issue should take priority over some things, such as HS2, into which public money is about to be poured. If we could get the IT right, we might not need all the investment in transport, which is proving to be so controversial across the country.

**Mike Weir** (Angus) (SNP): I understand what the hon. Lady is saying but I am a bit reluctant to pour yet more public money into BT, which is not up to the job of doing this, frankly. The Government, the Scottish Government and many others have poured money into these schemes. It is high time that a multinational company such as BT, which operates a private monopoly, steps up to the plate and invests some funds in this.

**Helen Goodman:** The hon. Gentleman is right. BT is extremely profitable. The industry is, of course, regulated by Ofcom but there must be a question mark about whether it is using its resources as effectively as possible. It is clear that the rural areas are particularly disadvantaged.

**Stuart Blair Donaldson** (West Aberdeenshire and Kincardine) (SNP): The hon. Lady is making a fantastic speech. Like all other hon. Members who have contributed, I think we are all in the same boat. In my rural constituency, rural business parks and centres that are looking to expand and already have connections are finding it incredibly difficult just to connect an extra building. Does the hon. Lady agree that it is completely unacceptable that they have to wait months—sometimes going into years—for a simple extension to their existing line?

**Helen Goodman:** Yes, the hon. Gentleman is absolutely right and, in a way, that is rather similar to the William Smith example I gave. These are not one-off examples. The Countryside Alliance has pointed out that

"8% of premises in the UK (2.4 million) are connected to lines that are unable to receive broadband speeds above the proposed Universal Service Obligation of 10Mbit/s. Many of these are in rural areas, where about 48% of premises...are unable to receive speeds above 10Mbit/s."

That is 1.5 million people in the countryside who are unable to receive those speeds.

We all know that the Minister is a very nice man. [HON. MEMBERS: "Hear, hear."] He has helped many of us—faute de mieux—with our particular cases. I agree with what he said yesterday. I think he is right, but I am not wholly sympathetic because he is being forced to intervene as if he were a Minister in a Soviet, centrally-planned economy, on a case-by-case basis. That is because the policy framework set up by this Government, in which I think he had some hand, has not worked properly, and that goes back to the point made by the hon. Member for Angus (Mike Weir).

The Government made the areas for the contracts for the roll-out of broadband too small to be economic for any operators apart from BT to bid for them. That is why BT won all the contracts, maintains a monopoly, faces no competition, feels under no pressure and serves our constituents so badly. Everybody will probably welcome Ofcom's proposals for changes to the governance of Openreach, particularly better standards of service to small businesses, and compensation when those standards are not met.

As well as keeping the pressure up on BT, which I want the Minister to do, we need him to talk to his colleagues in other Departments because the Government's policy of digital by default is not serving rural communities very well. I had yet another complacent response from Treasury Ministers, saying that 98% of small and medium-sized enterprises submit their tax online. I bet that is only because they are not doing it at home because they go along to an accountant in a small town some way away and pay that person to do the submission online.

We have the same problem with the Rural Payments Agency. Once again, the Public Accounts Committee has had to look into the problem. I see that the Chair of the Select Committee on Environment, Food and Rural Affairs is in Westminster Hall this afternoon. He knows that the treatment of farmers by the Rural Payments Agency—expecting them to monitor their cattle movements and supply all the information online—is hopeless. I ask the Minister to go back to his colleagues to get some change of attitude from them.

**Jo Churchill:** I have been calling broadband access our fourth utility since I joined this place so I was interested last week when my right hon. Friend the Minister for Small Business, Industry and Enterprise also called it the fourth utility. As the hon. Member for Bishop Auckland (Helen Goodman) has said, it is interesting that although one Department is pushing for 100% coverage and a fourth utility, perhaps the joined-up thinking across Departments is not there.

**Helen Goodman:** The hon. Lady has put it beautifully.

**Chris Davies** (Brecon and Radnorshire) (Con): On behalf of the Chair of the Environment, Food and Rural Affairs Committee and as a member of that Committee, which interviewed the chief executive of the Rural Payments Agency yesterday, I hasten to add that although broadband is difficult for our farmers, it is not the only reason why the Rural Payments Agency is not delivering at the moment. I just want that on the record because I would hate the chief executive purely to blame broadband for the delay.

**Helen Goodman:** The hon. Gentleman is absolutely right. I have 1,000 sheep farmers in my constituency and I know that to be true.

I want proper service for the small businesses in my constituency, particularly at the Teesdale end, which has been ill-served up to now. There are general lessons to be learned for BT, for Openreach and for the Government, and I hope we can make some progress on those general lessons.

1.49 pm

**Gordon Henderson** (Sittingbourne and Sheppey) (Con): I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing the debate. She highlighted

an issue of concern to a number of businesses in my constituency. She is right, and there will be a sense of déjà vu, because she could have written my speech for me. As she said, the way in which BT treats its customers sometimes borders on the farcical, to the extent that I sometimes wonder how it survives. To demonstrate my point, I will highlight one case in which I have been involved for many months.

**Neil Parish** (Tiverton and Honiton) (Con): My hon. Friend asks how BT survives. Does he agree that it does so by having a virtual monopoly? There is no real competition out there, especially in rural areas, so it can treat its customers abysmally.

**Gordon Henderson:** I could not agree more. My hon. Friend is perfectly right, but even monopolies come a cropper eventually if they do not provide a service.

In my constituency I have a family-run company called Bennett Opie, which manufactures and supplies to the retail trade a range of pickles and preserves. If any hon. Member here likes pickled walnuts, no doubt they will have tried one of Bennett Opie's products, because it is the only company in this country that makes pickled walnuts. Bennett Opie has two sites in Sittingbourne and, as in the example that the hon. Member for Bishop Auckland raised, it wanted to link those sites with an internal computer network. On 21 January 2015, it approached BT to find out the cost of installing a short-haul data services circuit—we both now know what one of those is.

Bennett Opie provided BT with the addresses of its two sites on 26 January 2015, and on 4 February it signed an agreement with BT. It was confirmed on 6 March that a survey for the work had been completed—all was going swimmingly for Bennett Opie. The company was then advised on 9 March that additional civil engineering work was needed at the first site. Bennett Opie signed a contract for that additional work on 13 March, because it was happy to pay. BT confirmed on 19 March that the civil works had been completed and advised of an end of May move between the two sites.

The broadband line was scheduled for installation at the first site on 25 March, but the installation failed. A month later, on 20 April, the broadband line was finally installed successfully at the first site. The full SHDS circuit was predicted to be installed on 22 May, but it failed. The end fibre at the second site was successfully terminated and tested on 26 May, and two days later, on 28 May, the end fibre at the first site was terminated and tested, but it failed. The full completion of the SHDS circuit was due on 29 May, but it failed and a fast track was applied to the order—Bennett Opie hoped that that would speed things up.

The list goes on and on, so I will pick out one or two more events from the subsequent period. BT notified Bennett Opie on 19 August that civil works, which were due to be completed, would be completed by the end of November, extending the installation almost to the end of 2015. On 14 September, BT advised Bennett Opie that plans for the works drawn up from the August site meeting had been submitted to Kent County Council with no response. Kent highways department, on behalf of Kent County Council, confirmed on 21 September that BT had not supplied it with drawings or plans. On 2 October, Kent highways confirmed misinformation and failings by BT relating to the location of works,

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the status of permits and the time needed for traffic management. In addition, Kent highways advised that the civil works had been rescheduled for 4 November.

On 18 November, BT provided a revised completion date of 27 November and provided details of the permit reference number for the works. Kent highways confirmed on 20 November that the permit number given to Bennett Opie by BT was for the civil works cancelled on 4 November and that BT had not applied for a replacement permit—I could not make this up.

I will skip a few entries. BT confirmed on 8 December that rod and rope engineers were on site and estimated that the tubing work would be completed by close of play that day—whoopee. On 9 December, BT confirmed that engineers were still working on the rod and rope task and that completion was expected that day. BT told Bennett Opie on 15 December that it could not complete the rod and rope task because traffic management was needed in order to access a manhole.

On 17 December, BT gave a traffic management survey date of 21 December, and on 22 December it provided Bennett Opie with details of four permit numbers for the job and confirmed that it would now take place on 18 January 2016, a year after the original agreement.

On 4 January, BT told Bennett Opie that Kent highways required night work to be done on the permit numbers quoted and that the work would slip to 8 February. Bennett Opie, quite understandably, contacted Kent highways, which confirmed that the permit numbers provided were wrong—two of them related to work due to take place in Brighton, which is some way from Sittingbourne, one did not exist on its system and the last was an incomplete number. On 18 January, workmen were observed working at night on the pavement outside the first site with a large reel of plastic tubing. Despite BT's claim that two-way traffic signals were needed, the van simply parked on the pathway, a "keep right" sign was erected and a small barrier was put around the manhole. No other traffic management was used.

When Bennett Opie contacted Kent highways on 19 January, it confirmed that BT had requested full traffic light control; that the fibre tubing job was completed and ready for the fibre to be blown; that BT could have proceeded faster with the work due to the lack of traffic management actually needed or used; and that night work would not have been prevented during December, so the work could have been done then.

That comedy of errors is symptomatic of the way in which BT treats business customers, but of course it is no laughing matter for companies such as Bennett Opie, which lost business because of BT's inefficiency. The good news is that Bennett Opie now has a working connection, 15 months after it signed its agreement with BT. As its chairman, Philip Opie, told me, the Great Eastern laid a transatlantic cable in 1865, and it took just one month. So much for the age of technology.

1.58 pm

**Chris Davies** (Brecon and Radnorshire) (Con): It is a pleasure to serve under your chairmanship, Ms Ryan. I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing such an important debate. Broadband is an essential component of modern business life.

As we are all aware, a connected business is a competitive business. Those who cannot connect are left behind in the global race, and we must not let our excellent local businesses fall into that trap. The hon. Lady's constituency is in many ways similar to my own. Beautiful rolling countryside and rural communities litter the local area and, like me, she has many excellent rural businesses crying out for better broadband. I am delighted that she mentioned a local firm of auctioneers that is suffering. I spent 20 years in that profession before entering this place, so I sympathise enormously with those auctioneers and understand what they are going through.

As a rural constituency, Brecon and Radnorshire faces many challenges, to which I will return later. However, I feel that it is only right to begin by commending the Government for their commitment to the 10 megabits per second universal service obligation. We are often quick to criticise, but that commitment was welcomed across my constituency and will be a great comfort to local people.

I have spoken in many debates on broadband during my short time here in Parliament—

**The Minister for Culture and the Digital Economy (Mr Edward Vaizey):** So have I.

**Chris Davies:** And when I have spoken, the Minister has always answered at the end with a cheery smile and a great further commitment to rural broadband. However, I believe he would agree that even though he has always spoken well, there is still much more to do.

There are three main issues involved in providing adequate broadband to our rural businesses. The first is information. It is vital that our businesses have access to all the information they need to make an informed decision about their broadband needs. Many businesses that I speak to in my constituency tell me that they cannot get access to the speeds that they need, yet they are unaware of many of the options available to them. Often, few are aware of the possibility of ethernet connections, and many are put off by the extra costs involved, as might be expected. Others are still oblivious to the promise of satellite and wireless broadband, which could satisfy their requirements.

Businesses face a lot of noise about off-the-shelf products that hides alternative options that might benefit them. I therefore recommend that the Government do all that they can to ensure that our businesses are properly informed of all the options available. BT and other providers offer alternative services that might fulfil the needs of those local businesses.

**James Cartlidge:** Although information is key, does my hon. Friend not accept that sometimes there are physical reasons? With mobile reception, for instance, in some areas there are dips in the land or other factors that cause a "not spot" where there is no signal. I have good mobile signal where I live, and I use mobile broadband. Does my hon. Friend share my hope that the Minister is doing all he can to encourage further support for mobile phone signal as well as broadband in rural areas?

**Chris Davies:** I could not agree more with my hon. Friend, and I am sure the Minister will pick up that point when he sums up later.

When I have spoken to BT and Openreach about the roll-out of broadband, they have outlined many of the challenges involved in getting broadband to local rural businesses. They have told me of challenges in assessing the infrastructure that they need to roll out superfast and ultrafast broadband, and the costs involved in doing so. Although I applaud the Government's work in assisting the roll-out of broadband to rural communities, I ask that the same concern be given to the roll-out to rural businesses. I am informed that where it is economically not viable to provide broadband to an area, it is down to the local authorities to decide where to procure services. I therefore ask the Government to do all they can to pressure local councils and the Welsh Assembly Government to give the same consideration to business broadband as they do to local communities.

Finally, following on from my previous point, I ask the Minister to consider how we can bring together broadband provision for communities and businesses. It is not economically viable to provide broadband to large areas, such as those in my constituency in rural Wales and on the Welsh marches. Premises for both habitation and business are spread over vast geographical distances, which can make broadband provision extremely expensive. I therefore commend Openreach's community fibre broadband partnerships, which offer communities the opportunity to part-fund the roll-out of broadband in their local area. The scheme is aimed at giving local people and businesses the broadband provision they need. I encourage the Minister to take this opportunity to welcome the scheme, as it would help many of my constituents.

That said, the scheme involves challenges. Local communities and businesses have to fund it themselves, paying half up front when work starts and the remainder on completion. Many of my constituents who are local business owners are not able or willing to pay those costs up front. Costs for installation often run to tens of thousands of pounds, and many business owners are concerned that their cash flow will suffer as a result of extensive implementation costs. Will the Minister meet me to discuss alternative funding options, perhaps including a community loan scheme so that our rural businesses and communities can access the connections that they need while avoiding cash flow issues?

Connecting our businesses to broadband is essential in the modern age. Openreach and the Government are working tirelessly to connect our excellent British businesses, but there are significant challenges to provision in rural areas. I implore the Minister and BT not to forget about businesses in rural areas. The risks of doing so are high and detrimental to the rural economy. If rural businesses are forgotten, we could lose a significant portion of our important rural life as businesses seek to move to better-connected cities and towns. That would cost jobs and livelihoods, not to mention deplete our rural communities. My message is simple. I commend the Government for the roll-out thus far, but they must ensure that it happens across not just most of the UK but the whole UK.

2.6 pm

**Neil Parish** (Tiverton and Honiton) (Con): It is a great pleasure to serve under your chairmanship, Mrs Ryan. I thank the hon. Member for Bishop Auckland (Helen Goodman) for introducing this important debate. She has made some important points. It is nice to follow my

hon. Friend the Member for Brecon and Radnorshire (Chris Davies), who made some good points about rural broadband in particular, including that the delivery of the single farm payment is not just about broadband but has a little to do with the Rural Payments Agency as well. It is lovely to see the Minister for Culture and the Digital Economy, my hon. Friend the Member for Wantage (Mr Vaizey) in his place. I know that he always enjoys my contributions to these debates, so I did not want to disappoint him in this one.

I congratulate the Government and local authorities on all the public money going into delivering broadband into rural areas, but—there is always a “but”—are we getting value for money out of BT? I know that the Minister works hard with BT, but we need to put even more pressure on it to deliver. The problem is that although we may get to 90% or 95%, the last 5% of people, by their very nature, are in the hardest areas to reach, and they are the ones who will put more and more pressure on the system. We see BT doing some areas or part of an area, stymieing anybody else who might come in to deliver broadband there and then not completing the whole area. BT must not only deliver, it must deliver across the whole area.

I also understand from meeting BT recently that it has now decided that it might have access to a satellite. That is marvellous, is it not? That technology has been around for a long time. I welcome the fact that BT is starting to consider different technologies, but BT has a major contract to deliver rural broadband across the country. It should not be thinking only now about rolling out such technologies; they should have been rolled out a long time ago. I have made that point to the Minister many times, and I do not apologise for making it to him again. If BT had more competition, somebody with a red-hot poker behind them—I will not say in what part of their anatomy, because that would be rude—they might actually get on with it. That is the problem that we have.

**Jack Lopresti** (Filton and Bradley Stoke) (Con): I apologise for cutting off my hon. Friend mid-flow, but as well as having technology and lots of taxpayers' money, BT needs to get the fundamentals right. I moved offices in the summer, within a BT area in a business park. It was a fairly simple and rudimentary move, and my office went out of its way to ensure that the transfer went seamlessly as far as dates and times went, and got a special licence so we could access the property before we took possession. There were days of disruption to the phone line and the BT service, which inconvenienced my constituents and cost a lot of taxpayers' money to put right, yet when I wrote a letter to Sir Michael Rake, the chairman of BT, on 5 August, I had no reply. Arrogance and aloofness will not be solved by taxpayers' money.

**Neil Parish:** I could not agree with my hon. Friend more, because that is again symptomatic of the fact that although BT does not have a total monopoly, by its very size and scale it has a virtual monopoly. BT has played on that over the years and is still playing on it now. Hopefully the chairman of BT will hear my hon. Friend's contribution today.

**Jack Lopresti:** Well, he did not get my letter, so I hope so.

**Neil Parish:** Hopefully he will reply to my hon. Friend. Was that letter from 5 August?

**Jack Lopresti:** Yes.

**Neil Parish:** That really emphasises my point that competition is necessary.

I am also very disappointed that Openreach has not been detached from BT. BT has so much by having Openreach—it has so much of the cables, the infrastructure, the fibre optics and really everything across the country for delivery of broadband. So, BT holds all the aces. Is it truly giving other companies the opportunity to gain access to its infrastructure? I suspect not. It also has all sorts of fantastic lawyers and wonderful people around the place who make it very difficult for other companies to intervene, and that is the problem.

As the Minister knows, the second contract for delivering broadband across Devon and Somerset was not awarded because it was not value for money. Therefore, we are now going out again with a further contract. I hope there is a real competition for that. Although it is perhaps easier in some respects to deliver broadband across the whole of Devon and Somerset in one contract, if the contract is so big BT will probably be the only company to bid for it again. However, if we have smaller contracts, other companies can come in and deliver broadband across places such as the Blackdown hills and in villages such as Upottery and Ruishton—all those villages across the Blackdown hills and on to Exmoor, which are difficult to reach. So I have still got many more people to be connected.

The point has been made by my hon. Friend the Member for Brecon and Radnorshire and others that broadband is the fourth utility and we really need it for all our rural businesses, including our farms. All of us in Westminster Hall today who represent constituencies with areas of rurality are amazed—are we not?—when we go around our constituencies and discover the types of businesses that are there. It is not just the farms. There might be businesses manufacturing or designing wings for Airbus, or other such things, where they would be least expected. However, the only way that those businesses can prosper is by ensuring that broadband is there and connected. Broadband is key.

I now turn to what happened recently in an area of my constituency at Dunkeswell and Luppitt—

**Helen Goodman:** Before the hon. Gentleman gives a specific example, could he enlighten us on the so-called “childish turf war” between the Government Digital Service, the Rural Payments Agency and the Department for Environment, Food and Rural Affairs, which meant the payments to farmers were down from 90% to under 40% at the end of December 2015? He might be able to tell us a little about that.

**Neil Parish:** I hope I will not be ruled out of order, because that is going a little off the topic of the debate. However, I can enlighten the hon. Lady. We had the head of the RPA in Parliament yesterday, and obviously what happened—to put it in layman’s terms—is that DEFRA created a system that was not entirely compatible with what the RPA was doing. We tried to drill down yesterday on the issue: at what stage did the head of the RPA realise that, and at what stage did he intervene?

Was there a breakdown in communication? Was there a clash of personalities? Yes, there was; there is no doubt about that. The trouble is that whatever Department or whatever system was to blame it is the farmers who pay the price, because they are still waiting for that payment.

In fairness to the RPA, it has speeded up its operation. However, what we are mindful of is that we do not want this situation to carry on as things did in 2004, when the payments were bad for 2005, 2006 and 2007, and it took 10 years and more to put matters right. We want to make sure that within one year the situation is absolutely right. There are people farming on the commons, and other farmers. Why should they have to wait so long for their payment when the problems are down to others?

As I say, we had the head of the RPA in yesterday and he was trying to say, “Well, it’s this Department, or that Department or the other Department.” However, as the hon. Member for Bishop Auckland says, if the farmers are not getting their payment, they are not interested in which Government Department is failing. We must deliver.

**Jo Churchill:** Before my hon. Friend is asked to come back to the topic of the debate, may I just draw a comparison? No matter who is to blame—whether it is BT, or any other company or persons—the people who suffer are our businesses, and that is the point that we want to address here today. The Government are doing good work. Suffolk County Council is hitting its targets; indeed, it got an extra payment for doing that. But the key word that my hon. Friend used was “communication”. I had a very robust conversation on Monday with BT’s directors—in fact, it was incredibly robust—and I pointed out that if they cannot communicate with their customers, their businesses and so on, they should not call BT a communications company.

**Neil Parish:** I thank my hon. Friend for that intervention, which brings me back on track. She is right about communication, and I will say a little more about that in a minute.

The point that my hon. Friend also rightly makes is that broadband is absolutely essential for our businesses. If we have a car, a piece of machinery or anything else that is not working, we can swap that car or that piece of machinery for another make that delivers what we want it to deliver. The problem that our constituents have is that there is no other “make” out there that can necessarily deliver broadband. Again, that is why BT needs more competition and why it has to step up to the plate.

Despite all my rhetoric I am not actually anti-BT, but I want BT to deliver. I know that the Minister is working very hard on this issue. I have urged him before to apply his iron fist to make sure that BT delivers, because it is not our money—it is our taxpayers’ money. It does not matter whether it comes from Government or councils; in the end, it comes from our individual taxpayers, who are often the very same people who are not getting connected to broadband. Therefore, they have paid for broadband but they are not getting it, so they have a double whammy.

We have made that point this afternoon and I know that the Minister must probably think, “Oh, yet another debate on broadband.” But once people are connected

to broadband we will not have these debates, because people will not be concerned. While these debates continue, naturally he must respect that.

My final point is about some businesses in Dunkeswell and Luppitt, which are the sites of old aerodromes. They could not access broadband for three weeks, because the exchange went down. Exchanges can go down, but I will now explain the compensation that those businesses have been offered. Many businesses in my constituency have been affected by poor internet and broadband speeds; some of them have had no internet at all for a lengthy time, which is unthinkable from day to day. Companies such as Assinder Turnham Ltd, a property and construction consultancy, Lynch Motor Company Ltd, Dolly Diamond, and Flymoore Aircraft Engineering were all without internet for as long as three weeks. I completely understand that a catastrophic fault at a BT exchange can and will happen from time to time, but when it happens, what is done to compensate and help the businesses that are left on their knees?

I will take Flymoore Aircraft Engineering as an example. It is a local business in my constituency that deals with aircraft respraying and engineering. It lost broadband from 25 January for three weeks. Flymoore could not do its VAT returns, and so spoke to Her Majesty's Revenue and Customs. Flymoore asked BT for evidence to provide to HMRC, but was told that it would cost £10 to get something called a work report. This company was without broadband for three weeks, but it ended up paying BT for the lack of service. It could not pay its staff or order parts or supplies for aircraft, and it did not receive new orders for work and so lost vast amounts of money. Flymoore could not access the European Aviation Safety Authority's website, which has all the mandatory legal requirements for aircraft safety. Because of that, it could not finish ongoing jobs. It could not access repair information or manuals online. It needed those instructions to physically carry out the maintenance on the aircraft.

At the very least, we would expect substantial compensation for the serious loss of business. Flymoore had a financial buffer to deal with market uncertainty, but virtually all of that has been wiped out, and the business is struggling financially. BT did not initially offer compensation, but Flymoore has since managed to get £25 in compensation and three months' free internet. What sort of company offers that level of compensation? If there was competition in the marketplace, BT would have to offer proper compensation.

I will not go into all the details of the other businesses affected, but interestingly they have all been offered different amounts of compensation and different lengths of free internet access. There seems to be nothing in place to compensate for the types of losses that the businesses have had. It is not only about delivering broadband in the hardest hit areas, but about ensuring that when the broadband connection is there, it is constant. If it breaks down for a long period, those businesses need adequate compensation. What they have been offered is pathetic.

BT needs to step up to the plate, deliver broadband and compensate people when they do not receive it. My hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) gave us a huge catalogue of issues with a company trying for more than a year to

get broadband onsite. We want, and we have, a dynamic economy, but we will only improve it further by having good delivery of broadband across the whole country.

2.22 pm

**Mike Weir** (Angus) (SNP): I am pleased to appear under your chairmanship this afternoon, Ms Ryan. I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing this important debate.

As others have said, broadband is now an essential tool for business. I represent a mainly rural constituency, and there are two essential aspects to doing business in such an area in the modern world: broadband that allows businesses to reach a much wider market through the use of the internet, and a reliable universal delivery and uplift service. I have spoken in this place on many occasions about my concerns on the latter, given the privatisation of Royal Mail. I will not go into those concerns again, but will concentrate on the provision of broadband and the frankly huge problems that many local businesses have in acquiring and keeping a reliable service.

I should say that this is not an attack on the Government. I fully recognise that the UK Government, the Scottish Government, local authorities and Highlands and Islands Enterprise have put a substantial sum of money into projects to extend broadband coverage to all areas of the UK, but real problems remain, many of which lie at the door of BT, which effectively has a private monopoly on broadband provision in many areas.

I said that my constituency is rural, but it is not remote. The main Dundee to Aberdeen road runs through the heart of Angus. Fibre broadband is being installed in our towns and is making a real difference, but the problem is the urban-rural divide. People do not have to go far out of town to find that they are not getting any sort of reliable broadband, or indeed any service at all. Among the reasons for that are the antiquated nature of the infrastructure, the inability of small exchanges to cope with the demand for lines, the old copper lines that are still in use and the distance of customers from the exchanges. Broadband now needs to be seen as a universal obligation and, as the hon. Member for Bury St Edmunds (Jo Churchill) called it, the fourth utility. BT has a private monopoly. It is a huge multinational company that is in the process of taking over one of the major mobile companies—there is another story there about the “not spots” in many of our constituencies—but it must step up to the plate and ensure that it provides broadband service to our constituents.

The UK Government have brought in the universal service obligation, but that only commits to raising the internet speed to 10 megabits per second by the end of this Parliament, and that is not sufficient. There is also a concern in many areas of Scotland that the commitment promises only 95% coverage by population. Much of the remaining 5% will inevitably be in rural areas and, in particular, such areas as the highlands and islands of Scotland. Those are inevitably the most difficult areas to reach with broadband services.

As other Members have, I would like to illustrate the problems faced by local businesses with an example. My constituent Stephen Appleton has a business, Angus Horticulture Ltd, which is based in Guthrie. That is a rural part of my constituency, but it is not remote; it is

[Mike Weir]

situated between the main towns of Arbroath and Forfar. I was first contacted by Mr Appleton at the end of July last year. At that point he had been in the unsustainable position of trying to run his business without the ability to take and process incoming calls since 1 June, following the completion by BT Openreach of the contracted works at his premises.

Before contacting my office, Mr Appleton had tried to deal with the matter himself by taking it to the highest level in BT. He had been told that there were

“multiple sections of underground cable which are faulty and Traffic Management will be required to re attend to the fault further”.

It turned out, however, that despite the fact that there were multiple failures, the traffic management had been booked for only one day. It will come as no surprise to Members that that did not deal with the multiple faults that BT knew existed. He was then told that the site had to be re-surveyed by Lux, the company that hires out temporary traffic lights, because traffic management was required in different locations. I do not know about you, Ms Ryan, but I would have assumed that if BT knew there were multiple faults, it could have joined the dots and worked out that it would need to work at multiple locations, but apparently that was beyond BT.

Even before consulting my office, Mr Appleton had been dealing with the chairman and CEO of business at BT, who had previously prompted the well-named dig and auxiliary team. Mr Appleton believed that the complaint had been escalated to the highest level, but it appeared to have little effect. I took up the case with BT, but still the matter ground on. By 7 August, Mr Appleton reported that he was “haemorrhaging business”. Openreach had by this time acknowledged an entitlement to compensation, but Mr Appleton was in the surreal position of being told that nothing could be done until service had been restored. One could have forgiven him for thinking he had strayed into a Kafka novel or a “Monty Python” sketch.

The delay in effecting repairs, despite the involvement of cohorts of BT and Openreach staff and engineers, was apparently down to the fact that the problem required traffic management. By early August, that had taken 10 weeks to organise, during the course of which BT had apparently lost the form, which caused huge delays. It appeared to be beyond the wit of BT Openreach to get engineers and traffic management in place simultaneously. A divert set up as a temporary measure also failed.

Finally, on 17 August, BT Openreach managed to get everyone together and fix the lines. Hallelujah! Three weeks later, the system was down again. That happened again in January, which apparently was a fault “further into the network”. That incident required another escalation to the director’s office before a repair was effected. On 1 March, Mr Appleton again contacted my office to say that the service had gone off. It came back on the next day, but was incredibly slow to non-existent.

As Members can tell from that timeline, the problem has been ongoing for nine months. That is a complete and utter scandal in an age when broadband is a vital component of the business environment, especially in rural areas.

As other Members have said, broadband should be a true universal obligation. BT Openreach is effectively a private monopoly; the hon. Member for Tiverton and Honiton (Neil Parish) called it a virtual monopoly. There might be competition in major urban areas, but there is none in rural areas. There is nowhere else for people to go to get the service, so BT can treat customers as it likes. As Members on both sides of the Chamber have described, BT cares little for the effects on business of its complete incompetence in dealing speedily with repairs, and we have heard—this is true for my constituents, too—how BT blames the local authority and everybody else without taking on any blame itself.

The hon. Member for Bishop Auckland and others spoke about more money being put in, but the taxpayer has already paid BT Openreach a fortune for the broadband network. We should not be looking to punt in yet more taxpayers’ money; we should be telling BT that it has to earn the right to run the roll-out. It has an effective monopoly, so it must put in some of its own money. BT must step up to the plate and do what is necessary to ensure a reliable system for all consumers in the United Kingdom.

2.31 pm

**Clive Efford** (Eltham) (Lab): It is a pleasure to serve under your chairmanship for the first time, Ms Ryan. I congratulate my hon. Friend the Member for Bishop Auckland (Helen Goodman) on securing yet another debate on broadband. I am sure that the Minister needs no notes to respond to these debates.

We heard from a number of Members about the problems in their constituencies. In an intervention, the right hon. Member for Ashford (Damian Green) read out a response that suggested BT was trying to distance itself from Openreach, which is incredible. The hon. Member for South Suffolk (James Cartlidge) said that his constituents had dug their own channel in an effort to expedite the situation themselves. That is taking things to an extraordinary degree, but it shows the lack of service, particularly for people in rural areas, although I stress that the problems are not just in rural areas.

The hon. Member for Bury St Edmunds (Jo Churchill) illustrated very eloquently the chaos suffered by one business in her constituency. When the line was reallocated, the business lost its BT broadband connection. When it came back, the speed was reduced and the gentleman was forced to travel 25 miles to another office. The impact of something like that on a small business is difficult to measure.

The hon. Member for Sittingbourne and Sheppey (Gordon Henderson) read out a catalogue of failures over a long timeline. It is difficult to understand how BT can be so incompetent and fail in its duties so frequently. The hon. Member for Brecon and Radnorshire (Chris Davies) highlighted the problems for rural people and called for a truly national roll-out. The hon. Member for Tiverton and Honiton (Neil Parish) said that by definition the hardest-to-reach areas are rural, and underlined that by discussing the ignominy of companies having to pay BT to get an explanation of BT’s failure so that they can get compensation. That is hard to stomach for small businesses.

The hon. Member for Filton and Bradley Stoke (Jack Lopresti) intervened to underline how arrogant and aloof BT is when it comes to the needs of people who

are not receiving broadband, especially to businesses. That was also underlined by the hon. Member for Angus (Mike Weir), who discussed BT's failure to carry out repairs. Because BT has a monopoly in his area, it does not respond readily to his constituents' concerns.

The Federation of Small Businesses has referred to broadband as the fourth utility, as have many Members today. As broadband becomes ubiquitous and ever more vital for doing business, it becomes more important that businesses can access broadband. It is vital for all businesses, not just those in the digital economy. It is ludicrous that the Government have not been able to provide what has become the fourth utility for so many people.

The Government's own broadband impact assessment states:

"It is now widely accepted that the availability and adoption of affordable broadband plays an important role in increasing productivity",

and that access to faster broadband is worth £17 billion to the economy. It goes on to explain how better infrastructure increases productivity by

"supporting the development of new, more efficient, business models, enabling business process re-engineering to improve the efficiency and management of labour intensive jobs, and enabling increased international trade and collaborative innovation".

Broadband also allows more people to work, or to work in different ways.

The failure to roll out broadband is increasing the problems for inner cities in the face of demands for public services and more infrastructure. A fully rolled out broadband infrastructure would mean that businesses could relocate, or more readily remain in rural areas to conduct their business. If, as the impact assessment shows, something is worth £17 billion to the economy, surely it is a false economy for the Government not to ensure that it is rolled out properly.

The European Commission set a target of universal broadband by 2013, yet we are still not there. When the Labour Government left office in 2010, they left behind a fully funded plan for basic broadband to be delivered to all within two years, and superfast broadband to 90% by 2017. The remaining 10% would have been covered by mobile broadband. We are falling further and further behind our competitors. Australia, a huge landmass, is aiming for 100 megabits per second for 93% of premises by 2021; South Korea will have 1 gigabit by 2017; and Ireland has recently increased its average broadband speed by 10%. Yet in the last quarter, the average speed in the UK has fallen by 3.7%.

The coalition Government designed a fragmented and monopolistic superfast broadband roll-out that handed £1.7 billion of taxpayers' money to one company to roll out broadband: BT. Four years later, many homes are still waiting. Incredibly, the Government have missed their targets on several occasions. In a Westminster Hall debate yesterday, the Minister raised several of his own frustrations with the service. We have debated broadband on 45 occasions in the past five years. The Minister has answered questions on the subject at every Culture, Media and Sport questions I can recall—a total of 63 times in the past five years. There has been a constant barrage of attacks from Members on both sides of the House about the quality of the service.

The Minister said in yesterday's debate: "Openreach must do better."

**Mr Vaizey:** Yes, it must.

**Clive Efford:** He continued:

"As the Minister responsible, I find it particularly frustrating that I have to step in to sort out these problems."

**Mr Vaizey:** I do.

**Clive Efford:** Well, there must be an enormous number of problems because quite a few have been mentioned today that he has not got around to. He went on:

"Why has Openreach not put in place a hit squad to deal with some of the more prominent complaints that come from MPs?"—

**Mr Vaizey:** Yes, absolutely.

**Joan Ryan (in the Chair):** Order. Minister, will you address these points in a few moments when the hon. Gentleman sits down?

**Clive Efford:** Thank you, Ms Ryan. Why is that hit squad not in place?

**Jo Churchill:** Will the hon. Gentleman give way?

**Clive Efford:** I shall just finish my point. The Minister has been in post for nearly six years. Why, when he is answering a debate that he has responded to on 45 previous occasions, is he still asking why Openreach has not put in place a hit squad to deal with MPs' complaints? Perhaps the hon. Member for Bury St Edmunds is going to tell us.

**Jo Churchill:** No, I am not going to tell the hon. Gentleman. I put that and another question to BT on Monday, and it replied that it now no longer uses agency workers to do the difficult work; it now uses its own people to do the work that needs programming, which should sort out the fact that it cannot programme that work to sort it out for the customers. It strikes me that a company of its size, which consistently fails and, by its own admission to me, has the wrong people doing the wrong job at the wrong time, needs some assistance in the rear end department.

**Clive Efford:** Again, the hon. Lady very eloquently illustrates one of the problems that we have with Openreach.

The Minister gave his own example:

"I dealt with a factory that had been built to be ready to open specifically on the basis of when Openreach was going to connect it, but Openreach was already a year behind schedule. That cost that factory many tens of thousands of pounds. It continues to baffle me why it cannot get its act together and sort out these prominent problems."

It is beginning to baffle us why he cannot sort out these problems with Openreach.

"I had to intervene on new builds. When a housing development is being put together, one would have thought it was the most obvious thing in the world that the people buying the houses are likely to be relatively young and likely to have children, and therefore likely to want, in this day and age, fast broadband connections. However, it took me a year to 18 months to bang together the heads of BT and the house builders to get an agreement."

**Mr Vaizey:** I will explain in a minute.

**Clive Efford:** I sincerely hope you will. If it takes the Minister 18 months, imagine what it is like for constituency MPs.

The Minister was obviously in full flow, because he threw in one or two other items:

“I, for one, would love them to get rid of this landline rental charge that they put on our bills. They put on their adverts a nice, big, juicy low price for broadband, and then an asterisk and a line saying, ‘By the way, you’ll have to pay £25 a month for landline rental.’”

Is that a statement of policy, or just the Minister throwing something into the air?

**Mr Vaizey:** Ms Ryan, you quite rightly admonished me for trying to respond to the Opposition spokesman from a sedentary position, but it is frustrating. Yesterday, I joked that, because of the lack of an Opposition policy, I would give an Opposition speech, but I did not expect the Opposition spokesman literally to read it out word for word the next day. Can we perhaps hear what the Opposition propose?

**Clive Efford:** The hon. Gentleman is the Minister. If he wants to dodge the arguments by posing as an Opposition Member, fine, but that is to run up the white flag and admit defeat.

The Minister said:

“I hope that the Advertising Standards Authority will crack down on how providers advertise their speeds. At the moment, if only 10% of customers are receiving the advertised speed, in the eyes of the ASA that is supposed to be okay. I totally accept that the ASA does a good job—it is a great example of self-regulation—but it really needs to go further on that. In my humble opinion, at least 75% of people should be getting the speeds that the broadband providers are advertising.”—[*Official Report*, 9 March 2016; Vol. 607, c. 139-140WH.]

Is that another policy statement? He is the Minister, so he really should not put such things into speeches if he does not intend to deliver them.

The Minister derided the previous Labour Government’s commitment to provide 2 megabits per second by 2012, but the Government are not delivering that minimum standard. Superfast broadband is 24 megabits per second, but the Government have moved the goalposts several times on it. It was 90% by the end of 2015; then it was 90% by the end of 2016; then it was 95% by the end of 2016; and now it is 95% by the end of 2017. When the Select Committee on Environment, Food and Rural Affairs was conducting an investigation into rural broadband, BT told it:

“it is there or thereabouts. It may end up being in 2018”.

The Committee pointed out in its 2015 report on rural broadband that it is by no means certain that the Government will even meet the phase 2 target. BT let the cat out of the bag: the Government are really behind the times.

Let me finish by asking the Minister a few questions. Two weeks ago, we cautiously welcomed Ofcom’s strategic review of digital communications—a plan for sorting out the mess created by six years of failed policy—as a step in the right direction. It mainly proposed two things: allowing rivals to access BT’s ducts and poles to increase competition, and addressing the issues relating to service standards. Ofcom will introduce automatic compensation for customers and businesses when things go wrong. It is good news that broadband, landline and

mobile customers will automatically receive refunds for any loss or reduction in service, which hon. Members have spoken about today. Openreach will be subject to tougher minimum requirements to repair those faults and install new lines more quickly. As hon. Members indicated, that is very welcome indeed.

What will the Minister do if those proposals are not met? How will he ensure that those targets are achieved? For example, Openreach might decide to fix easier and quicker faults at the expense of some of the ones that have been described today. Ofcom will introduce performance tables on quality of service to identify the best and worst operators on a range of performance measures so customers can shop around in confidence. Will the Minister tell us how he intends to ensure that that is achieved? How long does he think it will take for the market to become more competitive? What will he do if it does not work? Are all the measures still subject to further consultation and debate? Ofcom will need the Government’s political cover to make that happen, but the Secretary of State’s mind is currently elsewhere. Will the Minister assure us that addressing the issues that hon. Members raised this afternoon is a priority for him and his Department?

2.47 pm

**The Minister for Culture and the Digital Economy (Mr Edward Vaizey):** I am grateful for the opportunity to respond to this important debate under your chairmanship, Ms Ryan. I thank the hon. Member for Bishop Auckland (Helen Goodman) for securing it.

Halfway through the debate, I began to wonder whether we were taking part in a kind of Sport Relief charity function, because we had exactly the same debate yesterday. To deal with all hon. Members’ complaints about Openreach, I propose a 24-hour debateathon. I am particularly pleased that I am the last man standing.

Yesterday, we had the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr), who is not the Scottish National party’s Culture, Media and Sport spokesman, but its Environment, Food and Rural Affairs spokesman: he worked for a telecoms company for 20 years so the SNP sent him along. He has not made it today. We also had the official Opposition spokesman, the hon. Member for Newcastle upon Tyne Central (Chi Onwurah). She has not made it today; she sent the sports spokesman instead. But I am still here, still standing and happy to take questions.

This may not be a Sport Relief event, but it is a mass therapy session. Many hon. Friends and hon. Members came here to relieve themselves of the sheer frustration of having to deal with Openreach on behalf of their constituents. As I have said on many occasions—well, certainly yesterday—as a constituency MP, I also have to deal with that frustration.

The hon. Member for Eltham (Clive Efford) mentioned the example of a factory that I cited. I was, in fact, talking about a factory in the constituency of the hon. Member for Bishop Auckland—I had forgotten that she would be leading this debate. As she knows full well, I have been closely involved in trying to sort out that problem. There is no defending what happened to that factory. I am not here to defend it, because I do not work for Openreach. It is absolutely astonishing that a business would spend £30,000 up front with a supplier

such as Openreach, build its warehouse based entirely on the belief that it was dealing with a reputable company that would deliver what had been contracted for, and then find—

**Neil Parish:** Will the Minister give way?

**Mr Vaizey:** No, I will not give way. My hon. Friend spoke at length on the issues and I am not giving way to him.

The company built a factory based entirely on the expectation that the service would be delivered, only to find that it was not delivered—Openreach said that it had a problem with blocked ducts. If people are paid £30,000 to deliver a business line, the least they can do is to get out there and look at the ducts, in particular if the order has come in six months before they are meant to deliver it. There is no defence.

I freely admit that it is frustrating to deal with such issues. I wonder sometimes how I could distract attention from them. In fact, I asked the Prime Minister the other day, “Can we have a referendum on something? I am suffering all these attacks from my colleagues, please can we have a referendum on something like our European membership as that might distract them for a few months before they come back to the issue?” But it has not distracted them—we are still debating Openreach’s failures.

The Opposition have contributed a great deal to telecoms and telecoms policy. I read this morning that one Opposition Member was fined £5,000 by the Information Commissioner for making 35,000 recorded calls urging people to nominate him as the London mayoral candidate, which he failed to achieve. But he has added to BT’s coffers!

We are still waiting for a broadband roll-out policy from Labour, but I am grateful to the hon. Member for Eltham for reminding us that Labour’s target was 90% superfast broadband by 2017, which we achieved by the end of 2015. So we are two years ahead of what Labour promised with its unfunded commitment when it was in government and before it left us with a wrecked economy and such long-term plans. I sometimes dream that Labour won the 2010 general election and that a Labour MP might now be having to stand in my place and explain why his Government had still not got to 90% and why they were still going to wait for two years to do so. We have never changed our targets; we will reach 95% by the end of 2017.

I sometimes dream, too, of the SNP being the official Opposition—I know I should not say that, because it is almost blasphemous, but the hon. Member for Berwickshire, Roxburgh and Selkirk yesterday was entirely reasonable in pointing out the complexities and difficulties of the programme. I also commend the hon. Member for Angus (Mike Weir) for the reasonable points he made today about the problem not necessarily being wholly a Government one.

I want to revise slightly what I said yesterday, because it is important to make two points. First, when I complain about Openreach’s customer service, I should also praise the thousands of people who work for Openreach. They do an extremely good job in difficult circumstances. They are probably dealing with quite antiquated systems, which have not been modernised, and certainly the engineers who do the work on the ground are formidable people—I have met a few of them, when they have been

enabling cabinets in my constituency. They work in all weathers and often unpleasant conditions. I want to put on record my gratitude to the thousands of men and women who work for Openreach in delivering roll-out.

Secondly, there is a distinction between poor customer service by Openreach and the roll-out of superfast broadband. The roll-out is an engineering project. We like to give Openreach a hard time, but it was the only one that stepped up to the plate to bid properly for the contracts—it might well be thinking that it made a rod for its own back—and, in terms of the roll-out, Openreach has hit every target. My hon. Friend the Member for Tiverton and Honiton (Neil Parish) wondered earlier whether it was value for money: as he well knows, thanks to the clawback mechanisms in the contract, we have achieved £130 million. In fact, there is considerable underspend on the contract as well, so we will probably be able to use existing money to go further than 95%.

As far as I am concerned, Openreach is full of very good people doing a very good job, and the roll-out of infrastructure is going extremely well. In this debate, we are dealing with issues that I will not say are beyond my control, but that should be laid squarely at the door of Openreach. In yesterday’s debate I said that Openreach has the lowest levels of customer satisfaction, just below TalkTalk, according to Ofcom surveys. It is important to remember that no communications provider is perfect. I am sure that if we looked in our inboxes we would all find complaints from our constituents possibly about TalkTalk, Virgin, Sky or even some smaller companies providing business broadband. No company is perfect.

**James Cartledge:** BT has a monopoly on that front. I have never had a complaint about any other company apart from BT.

**Mr Vaizey:** Well, I have, but perhaps I live in a different world.

Having said that, I find it frustrating that I am sometimes doing the job of the chief executive or directors of Openreach. I find it frustrating that I have to broker a deal between Openreach and house builders to provide what should be provided in any common sense view—when building a brand-new housing development, surely that is the time to lay brand-new technology that people will expect over the next 20 years. I find it frustrating that I have to deal with a legion of complaints that are the result, frankly, of bad management and bad customer service. I sometimes feel that someone in Openreach loathes me so much that they sent out a memo saying, “Please give me the address of every single MP’s office, so we can make sure that every time they try to get a phone line, it will take three months.” At least four MPs have complained about that to me.

**Clive Efford:** Given that the Government have provided so much money to BT Openreach, will the Minister accept that the proper checks and balances were not put in place to ensure that it delivered on its contractual obligations?

**Mr Vaizey:** No, I will not accept that, because the hon. Gentleman is missing the point I made earlier about the distinction to be made. The physical roll-out of infrastructure is going well, and more than 4 million homes that would not otherwise have got superfast

[*Mr Vaizey*]

broadband now have it. That job has been done extremely well. What frustrates me is the poor customer service, which I hear about again and again from my colleagues. That is why we have had two debates in two days. I am really trying to get the message to Openreach to sort that out.

**Damian Green:** I spent several years as the front person for the UK Border Agency, so I have every sympathy with the Minister having to be the front person for Openreach. Has he reflected on the policy implication? Even though the roll-out, in effect, of fibre to the cabinet has been a success—as he said—that is still not providing an adequate service for millions of households and businesses throughout the country. Therefore, at some stage, a Government will have to bite the bullet and say, “We actually need fibre to the premises, however expensive it will be.”

**Mr Vaizey:** My right hon. Friend is moving me on to the next stage of infrastructure roll-out of broadband, but I agree, whether that is fibre to premises or new technology such as G.fast. I have talked about the need for a gigabit Britain and, as far as I am concerned, we are reaching the end of the superfast broadband roll-out programme and now we need to look ahead. We are not complacent: we need to go for a gigabit Britain.

To make things easier for people to build such networks, we will reform the electronic communications code, so that laying fibre across land becomes cheaper; we will reform planning so that mobile operators—as mentioned by one of my hon. Friends—may build bigger masts to get better signals; and we will work with Ofcom on a digital communications review, which will open up BT’s poles and ducts. I completely agree with those who say

that it is important to follow up and to ensure that the practical implementation of the regulations actually happens. The Secretary of State for Business, Innovation and Skills also announced a review of business broadband, which is at the very heart of what colleagues have been talking about.

**Jo Churchill:** Will the Minister bring domestic and business sides together, where possible? As he knows, the Home Builders Federation rolled out its programme in my constituency, in Woolpit. Businesses in that village cannot get adequate supply, which is crazy.

**Mr Vaizey:** I agree with my hon. Friend. That should form part of our business broadband review—that we need to put in place proper procedures to ensure, in particular when business parks are being built or extended, that communications providers know that and therefore use the opportunity to put in place the new technology that everyone wants to see. The infrastructure programme, however, is going well.

I should also mention that, in the digital communications review, Ofcom has proposals for automatic compensation to householders and businesses where communications providers fall down in what they are providing. I am extremely keen to see that implemented as soon as possible. So we will make it easier to build infrastructure and to use Openreach’s network, and we will bring in provisions to ensure that when Openreach and other communications providers fall down with consumers, consumers get compensated.

*Question put and agreed to.*

*Resolved,*

That this House has considered BT broadband provision for local businesses.

## Energy-Intensive Industries

[MR CHRISTOPHER CHOPE *in the Chair*]

3 pm

**Graham Evans** (Weaver Vale) (Con): I beg to move,

That this House has considered energy intensive industries.

It is a privilege to serve under your chairmanship, Mr Chope.

Energy-intensive industries are defined in the 2000 EU regulations on pollution prevention and control and further directives as companies whose energy intensity is more than 3%. This means that their energy costs are at least 3% or more of their total production costs. However, it is important to note that the figure is often significantly higher than this. For example, electricity accounts for 70% of chlorine production costs at the INEOS Runcorn site in my constituency. The companies that tend to fall into this bracket come from a wide range of sectors, including chemicals, steel, paper, minerals, glass, ceramics, and industrial gases, among others.

Protecting the competitiveness of the UK's foundation industries is vital to our long-term economic success. Energy-intensive industries account for 4% of the UK's total gross value added, directly employing more than 200,000 people. These foundation industries are crucial to the success of other companies through their supply chains, meaning that the multiplier effect on economic growth and jobs is far greater. In a report for the CBI, Tata Chemicals estimated that for each direct job it creates, a further five jobs are created in the supply chain. These are often high skill, high wage jobs that are vital to the future prosperity of the UK economy.

Energy-intensive companies, much like other industries, draw competitive advantage from clustering. This is a result of the existence of a pool of specialised workers, the provision of specialised suppliers, and the rapid flow of industry-specific knowledge among firms. As a consequence, regional economies can often be heavily dependent on a small number of energy-intensive firms in the area. Because energy-intensive industries compete globally, their export success is critically dependent on secure and competitively priced energy supplies.

UK industrial energy prices are the most expensive in Europe: 75% higher than Germany; 45% higher than France; and nearly 80% higher than the EU average. Energy-intensive industries are typically paying between £80 to £90 per MWh for electricity. Of this, £14 is attributable to the cost of carbon through the EU emissions trading scheme and the carbon price floor.

A further £20 goes towards the cost of renewable subsidies, such as the renewables obligation and the feed-in tariff. The UK-only carbon price floor results in UK-based energy-intensive companies paying four times the cost of carbon paid by their continental competitors such as France or Germany. The Department for Business, Innovation and Skills has been paying compensation since 2014 to lessen the impact of the EU emissions trading scheme and the carbon price floor. This support is limited to 80% of the impact by EU state aid rules.

3.3 pm

*Sitting suspended for a Division in the House.*

3.17 pm

*On resuming—*

**Graham Evans:** I welcome the announcement in the autumn statement last year that energy-intensive industries will be exempt from the policy costs of the renewables obligation and feed-in tariffs, which will ensure that they have long-term certainty and remain competitive. Energy-intensives whose electricity costs exceed 20% or more of their gross value added are eligible for renewables compensation, capped at 85% of the impact by the EU state aid rules. However, I am concerned that energy-intensives that fail to meet the 20% criterion and therefore do not receive the compensation are often in direct competition with others that meet the criterion and do receive it. That puts some companies at a profound competitive disadvantage. Officials at the Department for Business, Innovation and Skills are exploring the feasibility of alternative options to support those companies, which is a welcome development. I look forward to the results of that.

I represent a constituency in Cheshire, where the energy-intensive chemical industries are of historical significance. INEOS Chlor and Tata Chemicals, among others, are significant employers of people in Runcorn and Northwich, and in the wider M56 corridor throughout Cheshire. Chemistry is the bedrock of manufacturing, and strong, competitive chemical industries underpin all great manufacturing nations in the developed world. The UK chemical and pharmaceutical industries have a strong record of manufacturing.

**Kevin Hollinrake** (Thirsk and Malton) (Con): Is my hon. Friend aware that the shale gas industry has revolutionised the fortunes of the chemicals industry in the US? According to PricewaterhouseCoopers 1 million jobs will be created in manufacturing by 2025 as a direct result of shale gas energy and associated chemical feedstocks.

**Graham Evans:** I am grateful to my hon. Friend, who has certainly made his mark on this place since he was elected. He is right; the east coast of America is an example of how countries can reinvent themselves as manufacturing nations.

The chemical industry is manufacturing's No. 1 export earner, adding almost £9 billion to the UK's GDP each year. More widely, the Royal Society of Chemistry claims that £222 billion of GDP and 5.1 million jobs are partially reliant on UK chemical research and the UK chemical industry. The industry faces the additional challenge of using energy supplies both as fuel and as feedstock. Supplies of North sea gas for use as feedstock and fuel are diminishing, meaning that there is increased reliance on less secure supplies of imported gas. The political realities in Russia and Ukraine, as well as in parts of the middle east, show in no uncertain terms the increasing importance of energy security in the coming years. We have only to look across the Atlantic to the east coast of America to see the impact on the chemical industry of lower energy prices and booming supply. Cheaper energy combined with cheaper feedstock and Government investment has kick-started the US chemicals industry, which has since attracted more than \$100 billion in investment.

[Graham Evans]

As my hon. Friend the Member for Warrington South (David Mowat) pointed out in January, that success is a direct result of a cheaper economic model and a business case, and as my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) said in his excellent intervention, more than a million jobs have been created along the eastern seaboard of the US.

I want to talk about bricks—I am not talking about Brazil, Russia, India and China; I am referring to bricks and mortar. At the general election, almost every Member stood on a manifesto commitment to increase house building and home ownership. The English housing survey suggests that home ownership is increasing for the first time in a decade, which I am sure we all agree is fantastic news, but the inescapable fact is that if we want to build, we need bricks. The owner of Michelmersh, Britain's fourth largest brick producer, estimates that Britain requires 2.2 billion bricks a year. The country is at full capacity, making 2 billion, with the rest made up of imports, largely from Germany.

The Federation of Master Builders' state of trade survey highlighted the scale of the challenge. Two thirds of small and medium-sized enterprises face a two-month wait for new brick orders, almost a quarter are waiting for up to four months and 16% face a wait of between six and eight months. Arrangements for compensating energy-intensives such as brick makers are significantly more generous in countries such as Germany. Although the brick industry is starting to recover and reinvest in some of the kilns mothballed during the recession, that will place British firms at a distinct competitive disadvantage as the demand for bricks soars. An opportunity exists to address that and to help truly kick-start the brick making industry, to complement the burgeoning construction industry and get Britain building.

It is important to keep energy-intensive industries competitive in a global market, not just to safeguard them but to maintain a far wider range of UK industrial sectors. Our foundation industries make the raw materials that go into everything from clothing and medicine to buildings, vehicles and computers. Energy-intensive industries and the jobs associated with them are almost exclusively located outside of London, and they form a vital part of the northern powerhouse and regional growth and development.

By 2030, the world population will be 8.3 billion and 60% of the population will live in urban areas. There will be 2 billion cars on the road, and 50% more primary energy will be needed. Such huge challenges cannot be met without embracing energy-intensive industries. They are the building blocks on which manufacturing rests, and on which our future prosperity will be built.

3.23 pm

**David Mowat** (Warrington South) (Con): It is a pleasure to serve under you, Mr Chope. I congratulate my hon. Friend and neighbour the Member for Weaver Vale (Graham Evans) on securing the debate, which is the second this week on energy-intensive industries. We did ceramics earlier in the week, so we are giving it a bit of a go, and it is good that we are because we do not talk about it enough. As he said, there are something like 900,000 jobs in the industry and its supply chain and,

by and large, those are well paid, good jobs that we do not want to lose, particularly by accident or through carelessness.

On my validation for speaking in the debate, I do not have a particularly major industry in my constituency, but at one time in my life I worked at the Port Talbot steelworks. I remember seeing the blast furnace at Port Talbot and I suggest that all BIS Ministers and shadow Ministers see a blast furnace—while they are still here—because they are a magnificent sight.

**Kevin Brennan** (Cardiff West) (Lab): While the hon. Gentleman is on that point, can I tell him that my father worked for more than 20 years at Llanwern just a few miles down the road from Port Talbot? I was fortunate enough to be employed there for six months as a young man and came in close proximity to a blast furnace. Unfortunately, at the time I was there, three workers were killed by a gas leak from one of the blast furnaces.

**David Mowat**: The shadow Minister has validated himself in the debate. They are a sight that will always be remembered—I will certainly always remember it. I did not spend six months there, but I did work there.

Many industries have Ministers in this place who are directly responsible for them. We have a Minister for the City or banks, a Minister for farming, a Minister for sport, a Minister for IT and digital, a Minister for arts and a Minister for small business. Those are all important segments, but there is no Minister for the foundation industries and I think that shows a little.

Let us recap on what we are talking about—ceramics and bricks, chemicals, steel and aluminium. I should have said that I am the chair of the all-party parliamentary group for the UK aluminium industry, which is an interesting group to chair because globally aluminium is a real growth industry. It is increasingly displacing ferrous and other metals in the car industry. It is actually a very green material that is light and strong and we are seeing it used more and more. In the UK, though, that industry, which used to have three primary smelting works, now has only one, and that one—in fact, it is in Scotland—is under consultation for closure.

That is not to say that the aluminium industry in the UK is in bad shape. We are going more into secondary processes, which are higher value processes and there is an element of logic in that, but it is a shame that we are losing the raw material-producing capability that is also at risk in other industries such as steel. I will reflect on some of the reasons for that. I will talk about two things: energy prices, as my hon. Friend did, and what we are doing to ourselves—it is nearly all to ourselves—in that regard; and some of the aspects of our position on market economy status vis-à-vis China. I would like clarification from the Minister on that. Others may also talk about that, because some bits of it are not clear to me.

The basic premise is that it is not possible for us as a country to have a march of the makers, with a resurgence in manufacturing—that is in the north by definition, because much of that is in the north—on the back of differentially higher energy prices vis-à-vis our neighbours, whether in Europe or in the United States. We are not talking about China; we are talking about differences in approach in Europe and, to a lesser extent, in the United States.

In terms of energy, there are two sorts. My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) talked about the gas industry in the United States and what that has done. This is not a debate about fracking other than to say that we sometimes talk about it as though it is a new industry and we are deciding whether it, and all that goes with it, will happen. The truth, of course, is that fracking has already happened—it has been going certainly for more than a decade—and it has transformed the United States' eastern seaboard. Something like a million jobs have been created and the gas industry—gas is not just a raw material for energy but a feedstock for chemicals—in the United States has been transformed by it.

It is also worth reflecting that, as a result, the United States' carbon emissions have massively come down, faster than any other country in the world. The United States did not sign up to Kyoto, but had they signed up they would have made their targets because of the displacement of coal by gas. All of us who are concerned about the environmental aspects of that need to reflect on that.

One of the interesting questions is: have the million jobs created in the United States affected us in the UK? Actually, yes, they have—only at the margin, but everything in all these industries happens at the margin. By and large, whole industries do not get moved; by and large, industries such as the one in Teesside are not closed down. What happens is that a decision is made about an individual process plant. It is now more cost-effective to put that plant in the United States than in Teesside, where it may have gone 10 years ago, because they are paying one third of the price for that gas there. Those of us who are taking opportunistic positions regarding fracking—whether it is INEOS in Grangemouth or elsewhere—need to reflect on what that means for the 900,000 workers in this industry.

Vis-à-vis the rest of Europe, our gas prices are not out of line; in fact, if anything, they are a little cheaper than much of the rest of Europe. Electricity prices in this country are broadly 80% higher than the European mean, as my hon. Friend the Member for Weaver Vale said. This morning, Germany and France were paying 4p per unit. Our energy-intensive industries are paying 9p per unit, and there are two components of that. One is the carbon price floor, which I am sure the shadow Minister will rightly address. That is a tax on manufacturing, and it is arguably a tax on the north. It is certainly not a tax that I like.

As well as the carbon price floor, which we have unilaterally imposed in this country, there is the renewables and climate change stuff that we continue to impose on this country unilaterally. I want to consider the massive differences between what we are doing on this and what others are doing—not the Chinese or the Indians, because it is quite reasonable that they do less than us as they have so far to catch up, but the rest of the EU.

One of the big myths about carbon policy is that it is the EU making us do all this stuff. There was a bit of that in some renewables directives, but by and large, that is not the case. By and large, nothing going on now in climate change policy—policy that we may or may not agree with—is caused by the EU. It is caused by us, by the Climate Change Act 2008 and the Committee on Climate Change.

The point that needs to be made—and the Minister and shadow Minister need to be cognisant of it—is that the 2008 Act has imposed on our industry the need to

reduce carbon emissions by 80% over a 60-year period. The European submission to the Paris summit requires a change of 40% over 40 years. That is a lower gradient, and furthermore, it is easier to get a higher gradient to begin with. They are doing the easy bit at a much lower rate. If we take the UK out of the overall European submission to Paris, it means that—roughly speaking—they have signed up for an emission reduction rate of 50% to 60% lower than us. Either we are right or they are right, but it seems odd to me.

The reason for the difference is clear: in those countries, the people who run the foundation and heavy engineering industries have much more lobbying power with Government, perhaps as the banks do in our country. As a result, they look at the proposals and say, "We're going to do what's reasonable. We're not going to bankrupt ourselves." The trajectory of emission reduction to which the EU has signed up is 60% lower than the one we are giving ourselves in the UK. The EU has not even assigned that amount by country yet; it is just a total EU level. That should give us all pause for thought. Maybe we are right, maybe they are right, but our trajectories are certainly different.

The European emissions trading scheme was supposed to reduce carbon emissions. The European Parliament had a vote three or four years ago because the ETS did not set a high enough price for carbon. It implies a carbon price of €5 per tonne of CO<sub>2</sub>. The vote was to try to get that price up, but the Germans, the French and others would not agree to it. That is one reason that on Monday night, an Opposition amendment to the Energy Bill will advocate going further down the path of unilateral action here—in that case, because of the failure of the emissions trading scheme in Europe. If it were not so serious for the 900,000 people whose livelihoods we are talking about, it would almost be funny.

In terms of progress on emissions and climate change, a very good database called EDGAR—the Emission Database for Global Atmospheric Research—shows emissions per capita, per unit of GDP for all the countries in the world, and how they are moving and changing. It is worth reflecting that Austria, a relatively prosperous, affluent part of Europe, has increased its carbon emissions per head by 20% since 1990, while we have decreased ours by something like 15% or 20%. There is no consistency of approach, which is extraordinary.

We have talked in the past about the fact that countries such as Germany are building a new generation of coal power stations. Their renewables are not going up, but in fairness, they have done a lot on renewables in terms of emissions. However, Germany's carbon emissions are one third higher than the UK's per unit of GDP and about 30% higher per capita. We need to reflect on that and on the actions that we think it is necessary to take. I make the point again that either we are right or they are right, but for too long, we have listened to people's words on this subject and not looked at their actions.

I asked the Committee on Climate Change at a meeting recently, "What about these industries? All other things being equal, if we decide that we wish to continue having the highest energy prices in Europe and so on, what does that mean for them?" One person on the committee said, "It's about comparative economic advantage." The theory of comparative economic advantage says that a developed economy should probably not be doing some of these things. The implication is that it is

[David Mowat]

probably right to leave steel production behind and move into making aeroplanes and so on. That is the thinking in some parts of the Committee on Climate Change. Either parliamentarians wish to challenge that, or we accept it. At the moment, that is the consensus on action—I personally think it is wrong.

**Kevin Brennan:** The hon. Gentleman makes, as ever, an expert speech. That kind of thinking is wrong because whatever the economic theory of comparative advantage says—having taught it, I know what it says—it is ultimately in our country's strategic interest to maintain a steel-making capacity. Does he agree?

**David Mowat:** I completely agree. That is precisely why that sort of thinking must not gain currency. However, let me be quite clear: it is out there.

I want this to be a debate and to talk about the facts, but that thinking is out there in parts of the Labour party as well. I have often reflected on why many Labour MPs who represent seats in the industrial north are less concerned about this issue than I would expect them to be. It is the same in Scotland. I think it is because there are almost two Labour parties. I do not want to get into a fight, but there are the guys who represent the big industrial communities and understand the issues, and then there is what I would call—I do not mean to be pejorative—the Primrose Hill branch of the party, which believes in cutting emissions at all costs at all times to show leadership to the world. Frankly, the consequences will be the consequences. That is what we should be talking about today.

It is important that the Front Benchers understand the points I have made and that unilateral action will take us to a place where we do not want to be. This is not only about energy-intensive industries. All industries use electricity—for example, the manufacturing industry uses electricity—with the possible exception of the banks, although even they need to put the lights on and get their computers to work.

Finally, I want to ask the Minister about market economy status and why the UK Government are apparently so keen to fight for that for the Chinese when we know what the implications are likely to be for this industry. I am looking for clarification, because when people lobby me and ask why we are doing this, I say, “Well, there must be other industries that benefit from China having market economy status.” I am interested to know whether she can tell us which industries on the other side of the coin will benefit, because my guess is that it will be financial services and banking. If that is the case, we should be clear and just say that, and that it is a decision we have made for the UK economy.

In summary, let me repeat these points. There will not be a march of the makers or if there is, it will be a march to the EU, to the USA and to China, if we continue to concede a massive gas price advantage to the United States and a massive electricity price advantage to the European Union, and if we are not careful about the issue of dumping in China. The Minister is not from the Department of Energy and Climate Change, so she may not be able to answer this question, but I also want to know why the UK is going unilaterally so much

further than others and whether there is any chance of others following us in future, because it is very clear that they have not followed us yet.

3.41 pm

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate the hon. Member for Weaver Vale (Graham Evans) on securing this important debate.

Support for energy-intensive industries is a matter that I care a great deal about. My hon. Friend the Member for Motherwell and Wishaw (Marion Fellows) and I represent the two constituencies with Scotland's remaining steel mills, and those are sadly at risk. I have worked hard since my election to fight to save our steel industry. Although the Clydebridge steel treatment mill employs far fewer people than mills in other constituencies, it is no less devastating when jobs are at risk and when such an iconic industry stands to be lost from the constituency.

As the steel industry transitions to lower-carbon forms of production, it deserves our support. When crisis hit in my constituency, First Minister Nicola Sturgeon moved swiftly to establish the Scottish steel taskforce. That has resulted in positive action to retain jobs and hopefully to save and protect this established industry. If an alternative operator takes over, production will be able to resume swiftly due to the Scottish Government's steelworkers retention plan. Action has been taken on business rates, and in addition to new public procurement guidance on steel, the Scottish Government have released an ambitious and visionary new action plan entitled “A Manufacturing Future for Scotland.”

The Scottish Government's decarbonisation of industry steering group promotes and co-ordinates action to support energy-intensive industries, such as the steel industry, in making the transition to lower-carbon forms of production.

**Wendy Morton** (Aldridge-Brownhills) (Con): The hon. Lady and I both sit on a newly formed all-party parliamentary group on ceramics. Does she agree that not only the steel industry but industries such as the ceramics industry face huge challenges? There are a number of firms in those industries in my constituency.

**Margaret Ferrier:** I thank the hon. Lady for that intervention, and I will come to ceramics later, if she will bear with me.

The Scottish Government's steering group specifically helps them to deliver their emissions reductions under the EU emissions trading system and to meet legal obligations such as the UK climate change levy and the energy savings opportunity scheme.

It is clear that the Scottish Government are committed to protecting the steel industry as a key strategic asset in the Scottish economy, and on behalf of my constituents, I would like to put on record my sincere appreciation of that. The UK Government have gone some way, but there is still more to be done.

On the issue of ceramics, in addition to a very long-established steel mill, there is a brickworks in my constituency—Scotland's only remaining clay brick company, in fact. Raeburn Brick is an established family-run business in Blantyre. Somewhere in the region of

15% of the bricks used in Scotland are produced by Raeburn, which means that about 85% are imported from outside Scotland. Those figures might not mean much to others, but to me they show that there is a real opportunity for more domestic business.

**Graham Evans:** I was interested to hear the hon. Lady mention the figure of 15% being made by that family business. Does she have the figure for how much is imported from outside the United Kingdom?

**Margaret Ferrier:** The figure I have is that 85% of bricks are imported from outside Scotland, but I am not sure how many are within the UK or the EU. I can certainly get back to the hon. Gentleman about that.

If we are serious about long-term and sustainable economic growth, companies such as Raeburn need support. There is clearly room for the Scottish market to expand and reasons why it is being held back. The manufacturing sector is highly important, and I certainly do not wish to see Raeburn at risk, as the Tata steelworks at Clydebridge is. The ceramics industry is looking for a level playing field, just like the steel industry, and is calling for assistance and action on carbon emissions, energy costs and trade, as well as on the housing supply chain.

How do we support energy-intensive industries? I acknowledge and welcome the action that has been taken already. State aid clearance for the UK Government's energy-intensive industries support package will go some way towards easing costs for those industries.

We need only look at Sweden, for example, to see that electricity prices in the UK are needlessly high. According to Eurostat, the statistical office of the European Union, Swedish industry pays only €0.067 per kilowatt-hour for electricity. In the UK, the figure is exactly double that. Sweden has decided that fracking is not economically viable and is also phasing out nuclear. Renewable energy in the form of hydropower is now the single large source of electricity in the country, and wind power production is growing at a phenomenal pace—it has more than quadrupled over the past six years. We must aspire to cleaner, lower-carbon, sustainable forms of energy if we want to support industry in the long term.

The Scottish renewables sector has massive potential. The waters surrounding Scotland have the potential to provide it with a sustainable, renewable energy source—they are estimated to account for up to 25% of Europe's tidal power and 10% of its wave power, as well as about 25% of European offshore wind resource potential. That renewable potential is being impaired, however, by the regressive energy policies of the UK Government, who are cutting support for onshore wind and vital support for solar energy projects, and slashing hydro tariffs.

We have an opportunity to develop new, low-carbon products and services, both to accelerate economic recovery in the short term and to drive long-term, sustainable economic growth. In short, low carbon is an environmental and economic imperative.

**David Mowat:** It is interesting that the hon. Lady has chosen the example of Sweden, because along with France it has, as she says, the lowest electricity prices in Europe, but both are characterised by a very high proportion of nuclear power. That is the reason.

**Margaret Ferrier:** I thank the hon. Gentleman for his intervention.

The hon. Member for Weaver Vale stated that energy-intensive industries are foundation industries. In the UK they account for 4% of gross value added and employ 200,000 people, who are highly skilled, high-wage and very important to the UK economy and especially to regional economies. He mentioned his concern about the 20% criterion, which leads to some companies being put at a disadvantage in direct competition.

The hon. Gentleman then spoke about chemicals. Tata and INEOS are significant employers with a strong manufacturing record. The industry is worth £9 billion to the UK economy and brings 5.1 million jobs—I hope I have got that right. Energy security is very important. The hon. Gentleman then mentioned bricks and the need for a commitment to house building in the UK. We need 2.2 billion bricks a year. Germany does better than the UK, so we need to look at that as the demand for bricks grows. I hope that the Minister will consider those points.

The hon. Member for Warrington South (David Mowat) mentioned that we do not want to lose jobs and spoke fondly of his time at Port Talbot. The hon. Member for Cardiff West (Kevin Brennan) also has fond memories of working in the industry.

Energy-intensive industries include not just steel and bricks but ceramics, chemicals and aluminium. As the hon. Member for Warrington South said, aluminium is a growth industry and a green material, but we are down to just one smelting capability, which apparently happens to be in Scotland. There is also a risk in the steel industry, and we must look at energy prices. He said that the gas industry in America is not new and has been going for more than a decade, but we must reflect on its environmental aspect. He said that China and India still have to catch up in their carbon policy.

The hon. Gentleman mentioned the difference between emissions in the UK and the EU—the EU seems to have signed up to a 50% to 60% lower emissions reduction than the UK. He then spoke about the emissions trading system and the failure to make progress on climate change. He mentioned Austria—it is interesting that its carbon emissions have increased. He asked the Minister who is right—are we going down the right road, or are other countries?

One comment that the hon. Gentleman made, if I picked it up correctly, was that Labour MPs in the north are less concerned about the issue. I am not sure whether I agree—perhaps I picked up on his comment incorrectly. I know that there are not many Labour Members in the Chamber today, but perhaps the Opposition spokesperson will be able to take that argument forward. Labour Members have certainly been strong advocates for the steel communities in the north.

**David Mowat:** I completely accept that. The point I was trying to make was that whenever we discuss climate policy, those MPs press for us to go further unilaterally, which is a little odd in the context of the industries and communities they represent. I completely accept that they care passionately about those industries.

**Margaret Ferrier:** I thank the hon. Gentleman for his intervention.

[Margaret Ferrier]

Finally, the hon. Gentleman wanted to know which industries will benefit from China gaining market economy status. We have heard many times from the Minister why she feels it would be okay to give China market economy status, and I am sure she will give that answer again at the end.

3.52 pm

**Kevin Brennan** (Cardiff West) (Lab): I congratulate the hon. Member for Weaver Vale (Graham Evans) on securing this debate. It was not so long ago that we debated similar issues in this Chamber, led by the hon. Member for Thirsk and Malton (Kevin Hollinrake), and we had similar discussions about some of the issues relating to energy-intensive industries, with a particular emphasis on fracking.

The hon. Member for Weaver Vale rightly pointed out how crucial these industries are to the foundation of our economy and to jobs in the supply chain particularly. They have a multiplier effect. Even from the basic statistics, we can extrapolate far beyond them to the ripple effects throughout our economy, often with good quality, high-skilled jobs.

The hon. Gentleman talked about the problem of energy prices in the UK and, as ever, gave a thoughtful and informative speech. He was followed by the hon. Member for Warrington South (David Mowat) who, in a way, put his finger on many of the fault lines. I will perhaps return to his comments about the Labour party in a moment, but until yesterday, none of us was sure which Department would respond to the debate. Only at the last moment did I find out that it would be the Department for Business, Innovation and Skills instead of the Department of Energy and Climate Change. The information from official channels was that there was some question. That is not a criticism and I hope the Minister does not take exception, but it emphasises the fault line in this area that the hon. Gentleman explored in his comments about the tension in the appropriate desire for us to do something about climate change.

We have the Climate Change Act 2008, as the hon. Gentleman rightly pointed out, which was supported cross-party—not by everyone in the House obviously, but certainly by those on both Front Benches. It is an appropriate ambition. We want to save the planet from the possible consequences of not acting, but the tension arises from the need to make sure that in doing so we do not kill off our vital industries. The hon. Gentleman pointed out the tension, which exists not just in my party, but probably in the Conservative party to some extent. The fact that this debate was allocated late, with apparently some internal debate about who should take it, illustrates his point.

The hon. Gentleman's speeches are always informative and educational for all of us. He brings a level of expertise that is sometimes unusual among elected Members. He would probably make a very fine Minister in this area if he received a call from No. 10. I have probably killed off any prospect of that by mentioning it, but it is without question. He always provides us with a challenge and food for thought in his remarks.

From time to time, people try to say that we should not talk politics in the House of Commons, which is vacuous as a statement. If one cannot talk politics in

the House of Commons, where can one? The hon. Gentleman made a point about tension in the Labour party, which he said he had identified between some part of north London—

**David Mowat:** Primrose Hill.

**Kevin Brennan:** The Primrose Hill lot. I am not an expert on the areas of London. MPs from the north, Wales and other parts of the United Kingdom may be more au fait with the industries we are talking about. He may be right about that tension. All political parties are broad churches, including his own. There is a strand in his party of people who are extremely laissez-faire in their attitude to the economy and would take the view that if the steel industry cannot survive in the bitter winds of market forces, it is appropriate for it to suffer the consequences and to diminish and disappear. The emphasis is more on the comparative advantage that the UK has enjoyed in industries such as finance, banking and so on.

To an extent, both the hon. Gentleman and I want to see a broader and stronger consensus develop on the need for an industrial strategy, with a recognition that the Government have a serious role to play if we are to have a march of the makers. In recent years, I have felt that that political consensus was genuinely developing. I pay some credit to a previous Secretary of State for Business, Innovation, and Skills, Lord Mandelson, who came back from the European Union having had an epiphany of sorts while a European Commissioner. When he was a Trade and Industry Minister previously, I felt that he had displayed too much of that laissez-faire attitude towards British industry, but having seen other countries in the European Union and how they do things, he came back realising that it was vital for the British Government to take a much stronger interest in UK plc and particularly the high-skill, often energy-intensive industries that would genuinely help to rebalance our economy away from the unhealthy state that it had got into with too much reliance on the banking and finance industries.

We can perhaps create that stronger consensus in British politics, given the views that are shared among all parties across the House, to achieve a longer-term strategy for British industry.

**David Mowat:** I probably am a bit more laissez-faire than the hon. Gentleman. Having said that, I do understand that an industrial strategy is needed in some cases at some point. To the extent that the Government have got involved in these industries, however, it has been to impose—apparently without necessarily understanding that they were doing it—higher energy costs than their competitors in the EU. We have already intervened in an unhelpful way. That is really my concern.

**Kevin Brennan:** Indeed, and that was the central strand, obviously, of the hon. Gentleman's remarks and why I described them as a challenge to us all. The points that he made provide deep food for thought about what is the best way forward to ensure that we fulfil our obligations in relation to climate change, but also have the kind of strategy that will make sure that these industries can be sustained and can prosper into the future, because of their importance to our economy.

The hon. Gentleman went on to talk about market economy status for China. My view would chime with his remarks in that regard as well. I am interested to hear the Minister's response to his question about the beneficiaries, and the request to be more overt about the anticipated beneficiaries of the UK's support for market economy status for China. My fear is that if we roll over too easily on that subject—whoever the beneficiaries are—it could have extremely negative consequences for some of the industries that we are discussing.

At a time when Chinese steel is being sold at under cost price in European markets and in the UK, with the consequences that we all know about for British jobs and British industry, it seems extraordinary that we are going out of our way to be favourable towards market economy status for China, instead of perhaps using it as a bargaining lever when discussing the Chinese Government's policy on the steel industry. It is 70% state owned after all, so one would have thought that the Chinese communist Government had some influence over it. I know that some of the consequences of that over-production are now being felt in China. At the recent congress of the Chinese communist party, it had to announce a reduction in steel making in many of those areas.

The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) told us about energy intensive industries in Scotland. She mentioned tidal power, which leads me to ask the Minister whether she can give any update—I think I might know what the answer will be—on the Government's proposals in relation to the Swansea bay tidal lagoon. That is a current issue—no pun intended—and I hope that she will be able to say something about it when she responds to the debate.

I do not want to detain hon. Members too long today, but we did receive a briefing ahead of the debate from EEF, the Manufacturers Organisation. It posed some questions, and it would be helpful if the Minister could respond to them, in the spirit of the debate that we are having today. I will outline the four challenges that it poses—that is probably the easiest thing to do—rather than repeating what has been said already.

EEF says:

“The Government should support industry's calls for major changes to the proposed reforms of the EU Emissions Trading System (ETS) post 2020.”

I wonder what the Minister's position is on that. EEF also says:

“Ministers must bring political pressure to bear on the EU Commission to approve the 'second' state aid application in relation to the EII compensation package without further delay.”

Again, I wonder what the Government's response is to that challenge from EEF. It also says that in the Budget “the Government should look to announce a scrapping or phasing out of the Carbon Price Floor.”

The hon. Member for Warrington South rightly mentioned that. EEF continues:

“At the very least we must see a commitment to continue the current freeze.”

EEF also says:

“Government must use the 2050 Roadmap project to devise a radical new approach to the decarbonisation of energy intensive industry. This must include a credible industrial carbon capture and storage (CCS) strategy and serious consideration of financial support for industry.”

I do not want to detain hon. Members too much longer, but I wonder whether the Minister could respond to the points that EEF has helpfully provided to us for this debate.

4.5 pm

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** It is, as always, a pleasure to serve under your chairmanship, Mr Choqe. I congratulate my hon. Friend the Member for Weaver Vale (Graham Evans) on securing the debate. This is an important issue and, as other hon. Members observed, it is not the first time this week that we have debated the subject, because we discussed the future of the ceramics industry on Tuesday.

I am a little confused about why the Opposition were confused about who was to respond to this debate, because we in BIS were in no doubt at all. EIIs are very much within our responsibility, so I was always going to be responding. I think that my hon. Friend the Member for Warrington South (David Mowat) said, “Do we have a Minister for energy-intensive industries?” He was berating the fact that we do not have one. I do not know whether it is good or bad news from his point of view—I hope he will be happy—but I am the relevant Minister, because I am the Minister for Small Business, Industry and Enterprise, and at the heart of that industrial brief are these great EIIs, these great manufacturing industries, which many would say form the absolute hard core of our economy, are certainly at the heart of our manufacturing sector and are incredibly important to our economy.

No one should be in any doubt as to the huge value that we place on the steel industry. I do not want to dwell too much on it, because I think we want to talk about other sectors, notably chemicals, but my right hon. Friend the Prime Minister has made it clear that steel is a vital industry. I obviously have repeated that. My right hon. Friend the Secretary of State has also repeated it. It is not just that it is a vital industry; in relation to steel production, not just the electric arc way of making steel but the blast furnaces, notably at Port Talbot and Scunthorpe, we have no doubt; we are determined to do everything that we can to secure their future.

**Kevin Brennan:** On a point of clarity, it is not a matter of being confused. The Minister may not realise this, because I do not think she has been a shadow Minister. How this works is that we receive a notification from the Government through the usual channels of who is speaking in a debate, and the information received from the Government said “To be confirmed”.

**Anna Soubry:** Well, I do not know. It does not really matter, does it? We were not in any doubt; we knew we were doing it. I knew I was doing it as soon as my hon. Friend the Member for Weaver Vale secured the debate and, as I said, I congratulate him on that.

As we know, our manufacturing industries face difficult times, and EIIs face those pressures perhaps more than most, given their considerable consumption of energy—something like 20% of all UK energy as heat. However, these sectors play an essential role in delivering the UK's transition to a low-carbon economy, as well as contributing to economic growth and the rebalancing of the economy.

[Anna Soubry]

My hon. Friend the Member for Weaver Vale used a different set of measures from the ones that I have, which were kindly supplied by my officials, but here are some facts. EIIs employ about 2% of the UK's workforce and contribute an annual £50 billion to the economy, approximately 4% of the UK's gross value added. With Inovyn and Tata Chemicals in my hon. Friend's constituency, he will know at first hand the significant contribution that these industries make to our national and local economies and the impact that is felt by the local community and industry supply chains when sites reduce their operations.

I want to say a little about the chemicals sector. The Chemical Industries Association has pointed to real confidence in growth across the UK's chemicals sector. Since 2010, the UK chemicals industry has seen the strongest growth of the major EU chemical producers, with the exception of France, and has grown more than twice as fast as UK manufacturing as a whole. That is the trajectory we want to retain and grow, particularly given the sector's strategic importance in underpinning UK manufacturing and supplying raw materials and inputs to a range of sectors. I am happy to meet that group, as I do regularly, and I was delighted at our previous meeting to hear of the progress that the sector is making. I am not saying for one moment that there is not more to be done, and of course we know the problems with the high cost of energy, but I was delighted to hear about some of the progress on exports, for example. I am pleased that the sector has an excellent working relationship with UK Trade & Investment—it has a new form now. I am keen to ensure that we continue that strong working relationship and continue looking into increasing our contribution to exports.

It is a challenging time. There is a shift in the emerging economies from importers of chemicals to being producers and exporters. China accounts for roughly a third of the current global chemicals demand, but is expected to generate more than half the global demand growth for chemicals for the rest of the decade. As such, the Chinese economy has slowed down. It is still growing, but not quite as fast as we thought. That will have a greater impact on chemicals than perhaps any other sector.

With these economic backdrops, it becomes even more vital to create the right environment for maintaining manufacturing capacity and attracting new investment. I went to Brussels a few weeks ago for a summit on energy-intensive industries, where various representatives of those industries spoke without fear or favour, and very frankly. Their asks were interesting. They do not ask for any subsidies or for anything particularly special. All they ask for is a fair playing field so that they can compete in a difficult global situation. They just want that level playing field and I completely agree with them, which is why I will now turn to energy costs.

I pay tribute to the excellent speech of my hon. Friend the Member for Warrington South, who is becoming a delightful thorn in my side. I make no complaint if he hunts me down to come to every debate we have on this matter. He can continue to ask his questions, to make his points and to probe. I agree with much, although not all, of what he says. He made a point about getting the balance right and I absolutely agree with him about

that. We want our children to inherit a world that is in a better state than the world we inherited from our parents, and that includes being cleaner and greener.

We have to get the balance right in our country by reducing our carbon emissions and playing our part in all that, but not at the expense of these vital manufacturing industries. It is difficult. It is not all about green taxes, if I can use that expression. Such is our concern in the Department for Business, Innovation and Skills that only today I spoke to one of my officials about the high cost of electricity. We talked about why, as my hon. Friend the Member for Warrington South explained, it is higher in this country than in Germany and France. One of the reasons, as well as the reasons my hon. Friend mentioned, is the higher cost of transmission. We want and need to look at that, and we will work with our colleagues in the Department of Energy and Climate Change to ensure that we are doing the right thing by industries throughout the UK.

I pay tribute to my right hon. Friend the Secretary of State for Energy and Climate Change because, in her, we have somebody who can combine these twin drivers: ensuring that we play our part in reducing carbon emissions and keeping our planet cleaner and greener; and, at the same time, not doing so at the price of undermining and having an adverse impact on our excellent manufacturing sector. I wanted to put that on the record and make it clear.

We understand the concerns about the need to compensate our EIIs. Of course, we have now won the compensation that had been long argued for and sought from the European Union for those EIIs that are particularly high consumers of energy. We have achieved that and we have gone further. From April next year, it is our intention to move from a compensation model to an exemption model. Instead of taking money away from industry only to give some of it back, which I always thought was a rather bizarre way to go about things, we are now doing the right thing, which is not to put those burdens on industry in the first place.

The exemption model means that the industries will no longer have to pay the renewables obligation and the small-scale feed-in tariff. However—and I am going to say it because it is true—that does not include all those industries that have a very high consumption of energy. Other schemes are being looked at. There is more work to be done in the EU, and we will continue to do that. Hon. Members can be sure that, in this Minister, they will always have a champion for great manufacturing industries, particularly the EIIs.

I will continue to do all I can, notably over in the EU where we are making great progress. I am one of those who firmly believes that we will be stronger, safer and better off remaining within the EU. I think a wind of change is blowing through it and I am proud of my Prime Minister for leading that change. I am drifting off so I will come swiftly back to this debate because it is important.

I pay tribute to what we have. The hon. Member for Cardiff West (Kevin Brennan) says that we need to have an industrial strategy. It is all very well and good having bits of paper, strategies and all the rest of it, but what matters is what we are doing about it. We have the 2050 road maps that we debated earlier this week, in which we work with the industries to look at how they can improve the way that they go about getting and using

their energy. We want to ensure that we do everything we can to help them to reduce their carbon emissions and that they do everything they can to keep their energy costs down. It is great work that includes: industrial carbon capture and storage; clustering and value chains collaboration; heat recovery; access to finance; and removing barriers to industry using renewable resources such as biomass and the biogenic materials in waste as energy and feedstock.

I thought that the hon. Member for Cardiff West made the most bizarre speech from a Member of Her Majesty's Opposition—not giving us any clue about the Opposition's policies on this and what they would do. Instead, he read out a series of questions, helpfully provided by the Manufacturers Organisation. That was quite peculiar.

**Kevin Brennan:** Will the Minister give way on that point?

**Anna Soubry:** No, not yet. Perhaps that perfectly explains and is an example of the exact point made by my hon. Friend the Member for Warrington South. The Labour party is now led by, almost, the Islington intellectual left elite, compared with the days when it was led by people from those great chunks of the industrial north. It is not fair to look around the Chamber and think that the Members present are the only ones interested in the debate. Many will read it in *Hansard* or watch it in their offices, as they cannot be here. However, the three people here who represent the Conservative party—well, they represent their constituents, who happen to be Conservatives—all come from the north of England. However, the hon. Member for Cardiff West is the only person on the Labour side. He is now going to intervene and, no doubt, say something very interesting.

**Kevin Brennan:** I am sorry that the Minister does not like my asking those questions but would she be so good as to answer them?

**Anna Soubry:** I did not say that that I did not like the questions. I just thought that it was rather perverse that Her Majesty's Opposition could not make a speech telling us what they would do if they were in Government and what their policies are, and actually challenge us.

**Kevin Brennan:** Is the Minister going to answer the questions?

**Anna Soubry:** I will answer the questions. If I do not, the usual rules apply—I will write to hon. Members.

I will go through some of the points that have been raised. The EU will decide whether to give China market economy status, as I have said many times. I am aware of the arguments against it as much as the arguments in favour. I keep on saying this and I will say it again: the ability of the EU to impose tariffs on China is not precluded if it acquires market economy status. There is a very good argument that ensuring that China stops dumping things could be an important part of any negotiation in relation to MES. Russia enjoys MES, but it does not stop the EU imposing tariffs on it. The debate will continue in the EU about whether China should have that status.

My hon. Friend the Member for Warrington South suggested that we have a different trajectory to decarbonising from the rest of Europe. I am told that the UK's trajectory is in line with the emissions reduction trajectory set by the EU and applied in other member states. That does not mean that I will not take that important point away and make further inquiries.

**David Mowat:** The Climate Change Act 2008 mandates a far steeper decline in emissions than any equivalent European legislation. I am sure of my ground on that point, so it would be good if the Minister chatted with her officials about that afterwards.

**Anna Soubry:** I absolutely will. I want to do so for my own benefit, as well as for my hon. Friend, who raises an important point. I certainly need to know about it, and we need to address it properly.

Returning to the points raised by my hon. Friend the Member for Weaver Vale, he is right to raise the question of shale and whether we will continue fracking, as is my hon. Friend the Member for Warrington South. Two licences have been issued for shale gas exploration in my constituency, and even if that exploration is successful, the next stage will not come until at least 2020, which is still a long time. The Labour party in my constituency is absolutely opposed to fracking, rather bizarrely because the Labour party has quite a good policy on fracking, which is that there is nothing inherently wrong with it. So long as fracking is done properly, going through the right processes and procedures, and is safe, it seems eminently sensible. We have to realise and understand what is going on in the real world, because I have no doubt that shale gas is an important source of energy that must not only be explored but exploited for all the undoubted benefits that it would bring.

We are delivering on the asks made in relation to the steel industry. As we know, it is not just about steel but about aluminium and all the metals, the processing of which uses a great deal of energy. We worked with the Metals Forum on a metals strategy, and we are considering how else we can help it to ensure that metals also have a sustainable future.

My hon. Friend the Member for Weaver Vale rightly spoke about the brick industry, which, perversely, faces challenges from increased home building. As we have heard, we continue to import bricks, which is pretty barmy. We are already doing a lot of work on improving supply and ensuring that we meet the need with British-made bricks, rather than having to rely on imports. That work will continue because, with a few exceptions, it is always better if we can buy British. The general picture on brick supply is one of continued readjustment. We are pleased to see the general increase in capacity, but I do not doubt that we can do more and that we will continue to do so.

I have not answered the questions of EEF, the Manufacturers Organisation, but I will write to the hon. Member for Cardiff West. In any event, I will write to EEF to answer its very good points. I hope that hon. Members will take from this debate that the Government understand the problem and are determined to get the right balance and do the right thing by our energy-intensive industries, wherever they are on the scale—not just the ones at the very top but the ones all the way through the scale—to ensure that we do not shift the burden

[Anna Soubry]

from one part of EIIs to another. We have to do this fairly, and we have to do it right, but we really need to ensure that we have not just a continuing and regular supply of energy but cheaper energy in our country. If we start to do that, whether by ensuring that we do not overly burden people with green taxes or by getting the prices down in the ways suggested, we will create the level playing field for which this excellent part of the British economy asks. EIIs are hugely important, and I pay tribute to everyone who works in that sector. They are usually very highly skilled and absolutely devoted and dedicated, and they have a champion in me.

4.24 pm

**Graham Evans:** I thank the feisty Minister with responsibility for energy-intensive industries. She is doing a great job, and I urge her to carry on with her good work. Locally, it is all about jobs. My hon. Friends the Members for Warrington South (David Mowat) and for Thirsk and Malton (Kevin Hollinrake) and I represent the north of England, but the situation is the same in south Wales, Scotland, the north-east and the other regions of the country. One reason why there are no Labour Members here is that it is Thursday afternoon, which is not a great time for such a debate. They are busy in their constituencies, but they sent their apologies and wished us well.

For me, it is about jobs—well paid, long-term and greener, cleaner jobs. As Members of this House, we have a duty to future generations, who should be able to work in such industries. It is about competitive advantage. We have spoken at length about fracking. I was determined not to mention it, but there is nothing new in it. I believe that fracking is safe, so long as it is done safely. As my

hon. Friends mentioned, the industry is being transformed on the east coast of America, with good-quality, well paid jobs being created. I want that for the north of England, Weaver Vale, Wales, the north-east and Scotland. I want a slice of the action. It must be done properly and safely, but I am sure that we can all agree that we need competitive energy prices.

It is also about rebalancing the economy. When this Government came to power with the coalition in 2010, they mentioned rebalancing the economy away from London and the south-east, and away from the financial industries. My hon. Friend the Member for Warrington South asked whether the strategy and policy was to benefit the banking industry. We are in the business of ensuring that industry keeps providing good-quality jobs in the north of England.

We are currently the second largest economy in Europe. If we are to be the biggest—we could well be, because Germany has some structural issues—we need these foundation industries, the energy-intensive industries. The future is bright for Great Britain, but it is not guaranteed. We must work together to ensure that we provide good-quality, highly paid jobs in manufacturing and the energy-intensive industries that are so important to our constituencies: chemicals, steel, paper, glass, ceramics and others. I am in the business of the future and providing good-quality jobs for a future that is brighter, greener and more prosperous for our children and our children's children.

*Question put and agreed to.*

*Resolved,*

That this House has considered energy intensive industries.

4.27 pm

*Sitting adjourned.*

# Written Statements

## DEFENCE

Thursday 10 March 2016

### Air Cadet Aviation Relaunch

#### BUSINESS, INNOVATION AND SKILLS

##### Enterprise Bill

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** I am today placing in the Libraries of both Houses the Department's analysis on the application of Standing Order 83L in respect of the non-Government amendment passed at Commons Report stage for the Enterprise Bill.

[HCWS599]

##### National Measurement and Regulation Office

**The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid):** I wish to inform the House of a change regarding the future of the National Measurement and Regulation Office.

The National Measurement and Regulation Office has responsibility for simplifying technical regulation for the benefit of British businesses through its legal metrology, hallmarking, technical services and enforcement activities.

The National Measurement and Regulation Office currently operates as an Executive agency and is sponsored by the Better Regulation Delivery Office, a directorate within the Department for Business, Innovation and Skills.

Over the last 12 months, the National Measurement and Regulation Office has worked closely with the Better Regulation Delivery Office to improve the regulatory environment, saving money for business and the state, reducing burdens and improving outcomes.

I wish to take this further by bringing the work of the National Measurement and Regulation Office and the Better Regulation Delivery Office together into a single combined directorate—the Regulatory Delivery directorate.

The National Measurement and Regulation Office will cease to operate as an executive agency from the 31 March 2016. The functions and staff of the National Measurement and Regulation Office will transfer to the Department for Business, Innovation and Skills.

The new Regulatory Delivery directorate will report to the Minister for Small Business, Industry and Enterprise. It will operate as a regulatory centre of excellence, ensuring that the way regulation is enforced is proportionate and risk based. It will support British business, ensuring there is the right protection, confidence and equity for businesses as well as simplifying a complicated regulatory landscape.

The new directorate will deliver existing functions of the National Measurement and Regulation Office and the Better Regulation Delivery Office, such as primary authority, better business for all, metrology, hallmarking policy, technical and enforcement work.

[HCWS600]

**The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier):** In April 2014 all Air Cadet Organisation gliding was paused due to airworthiness concerns with the Grob Viking conventional glider and Grab Vigilant motorglider fleets utilised by the air cadet Volunteer Gliding Squadrons (VGS).

Substantial operational, technical and commercial negotiations with a range of aerospace leaders in this field have failed to find a value for money approach to successfully repair and recover all 146 gliders. Consequently a comprehensive Air Cadet Organisation review has proposed restructuring this activity. It has been decided that the best value for money solution is to recover at least 73 Vikings, a reduced vigilant fleet of up to 15 aircraft, combined with an uplift to Grob Tutor fixed wing air experience flights (AEFs).

The reduced glider fleet will be operated by significantly fewer, but larger, VGS, which will have a regional focus and be better integrated with synthetic training and increased AEF locations. The number of Grob Tutor aircraft beyond 2017 for AEF/ University Air Squadron (UAS) use will go from 45 to 70 airframes, enabling the enlargement of existing AEFs and the formation of two new AEFs. Regional VGS hubs, which have the facility to provide overnight accommodation, will be also created across the UK.

The Volunteer Gliding Squadrons that are due to be disbanded are: 611 Squadron currently based at RAF Honington, 612 Squadron currently based Dalton Barracks (Abingdon), 613 Squadron currently based at RAF Halton, 616 Squadron currently based at RAF Henlow, 618 Squadron currently based at RAF Odiham, 624 Squadron currently based at RMB Chivenor, 633 Squadron currently based at RAF Cosford, 634 Squadron currently based at MOD St Athan, 635 Squadron currently based at RAF Topcliffe, 636 Squadron currently based at Swansea Airport, 642 Squadron currently based at RAF Linton-on-Ouse, 662 Squadron currently based at RMB Arbroath, 663 Squadron currently based at Kinloss Barracks and 664 Squadron currently based at Newtownards.

The Volunteer Gliding Squadrons that are due to be retained are the Central Gliding School and 644 Squadron currently based at RAF Syerston, 614 Squadron currently based at MDP Wethersfield, 615 Squadron currently based at RAF Kenley, 622 Squadron currently based at Trenchard Lines Upavon, 626 Squadron currently based at RNAS Predannack, 631 Squadron currently based at RAF Woodvale, 632 Squadron currently based at RAF Ternhill, 637 Squadron currently based at RAF Little Rissington, 661 Squadron currently based at RAF Kirknewton and 645 Squadron currently based at Topcliffe (from October 2019). 621 Squadron currently based at Hullavington will be retained at RNAS Merryfield.

As part of this process, a number of regional gliding hubs are to be created. We also expect that two new air experience flights will be created, 13 AEF and 14 AEF. It is anticipated that 14 AEF will be located in Northern Ireland.

While work is undertaken to set up this new structure, the future locations of these squadrons remains subject to the outcome of MOD estate rationalisation due to announce later this year. While it is likely that many squadrons will remain at their current locations, we are working to ensure that, where this is not the case, flying opportunities will be made available to cadet units within their region and any new locations will be as geographically close to the existing locations as possible.

We recognise that this means that some uncertainty will remain for our cadets, but we are confident that this new structure will maximise flying opportunities for them.

As VGS are run by volunteer staffs, this will not result in any job losses, albeit volunteering options will be affected. The RAF is extremely grateful for the volunteers that support each VGS; without this support air cadet gliding would not be possible. Consequently we will develop a crossover plan which will enable many volunteer gliding instructors who become surplus on affected VGS to convert to Viking; transfer to a formally established ground cadre within a VGS; transfer their instructional skill sets into the units of the mainstream Air Cadet Organisation; or to retrain to fly the Grob Tutor in the expanded AEF construct.

The RAF remains committed to air cadet flying and will ultimately increase investment in the VGS and AEF sites which will remain to include the provision of residential accommodation for cadets and staff. This will enable those cadet units which have to travel greater distances to the VGS to undertake a residential weekend, with better associated force development and ground training opportunities alongside the gliding and flying. With the introduction of glider simulators, funded by the RAF charitable trust, the Air Cadet Organisation have developed a common syllabus for cadet flying which better integrates and allocates cadet flying opportunities between realistic synthetic flight simulation, glider flying and an uplift of AEF flights.

We will make a further statement when we can say more on basing.

[HCWS605]

## ENERGY AND CLIMATE CHANGE

### Energy Bill: Memorandum of Updated Analysis of EVEL

**The Minister of State, Department of Energy and Climate Change (Andrea Leadsom):** I am pleased to announce the publication of updated analysis of the Energy Bill for the purposes of English votes for English laws.

The English votes for English laws process applies to public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify that Bill or any of its provisions for the purposes of English votes for English laws.

The memorandum provides an assessment of tabled Government amendments, for the purposes of English votes for English laws, ahead of Commons report. The Department's assessment is the amendments do not change the territorial application of the Bill.

This analysis reflects the position should all the Government amendments be accepted.

The memorandum can be found on the Bill documents page of the Parliament website at: <http://services.parliament.uk/bills/2015-16/energy/documents.html> and I have deposited a copy in the Libraries of both Houses.

[HCWS598]

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Agriculture and Fisheries Council

**The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss):** The Agriculture and Fisheries Council will take place on 14 March in Brussels. I will be representing the UK.

Also in attendance will be the Scottish Cabinet Secretary for Rural Affairs, Food and Environment, Richard Lochhead MSP; the Northern Irish Minister of Agriculture and Rural Development, Michelle O'Neill MLA; and the Welsh Deputy Minister for Farming and Food, Rebecca Evans AM.

The following items will be discussed:

The primary focus on fisheries will be the adoption of a European Court of Auditors report entitled: "Are the Fisheries Partnership Agreements well managed by the Commission?", as well as a political agreement on the management of sandeel through the establishment of a total allowable catch for 2016.

The primary focus on agriculture will be a presentation by the Commission and an exchange of views on present market situations, and the use of financial instruments in the agriculture sector. The adoption of a report entitled: "EU support to timber-producing countries under the FLEGT action plan" is also tabled.

The UK has tabled an any other business item on the simplification of CAP audits. I will be encouraging the Commission and other member states to take a fresh look at the way in which we audit and control the common agricultural policy in order to simplify arrangements and reduce the burdens placed on farmers while providing proper protection for public money.

There are currently two additional confirmed any other business items tabled for this Council:

"Hybrid" nutritional labelling system—tabled by the various delegations.

High-level meeting on African swine flu—tabled by Estonia.

[HCWS601]

## FOREIGN AND COMMONWEALTH OFFICE

### Foreign Affairs Council and General Affairs Council

**The Minister for Europe (Mr David Lidington):** My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 14 March and I will attend the General Affairs Council on 15 March. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council will be chaired by the Dutch presidency. The meetings will be held in Brussels.

## FOREIGN AFFAIRS COUNCIL

The agenda for the Foreign Affairs Council (FAC) is expected to include Libya, Russia, Iran and the middle east peace process.

*Libya*

The FAC will take stock of the latest developments in the UN-led political process and assess where the EU can provide support. The UK and international partners continue to urge swift Libyan endorsement of the Government of national accord (GNA). We will highlight the need for the EU's support package to take migration activity into account and encourage planning to be co-ordinated with the UN.

*Russia*

Ministers will discuss the EU's relationship with Russia, both in the immediate and longer term. We expect ministers to underline the importance of continued EU unity.

*Iran*

Ministers are expected to exchange views on Iran following implementation day of the nuclear deal and the lifting of nuclear-related economic sanctions. We also expect Ministers to discuss the EU's developing bilateral relationship with Iran and the opportunities and challenges this will bring.

*Middle east peace process*

Ministers are expected to discuss what more the EU can do to encourage progress in the middle east peace process.

## GENERAL AFFAIRS COUNCIL

The General Affairs Council (GAC) on 15 March is expected to focus on European Council follow up, preparation of the 17-18 March European Council, European semester, the inter-institutional agreement on better regulation and cohesion policy.

*European Council follow up*

The GAC will discuss the implementation of conclusions adopted at previous European Councils.

*Preparation of the March European Council*

The GAC will prepare the draft conclusions for the 17-18 March European Council, which the Prime Minister will attend. The March European Council agenda covers migration and will discuss priorities for the 2016 European semester.

*European semester*

There will be a short debate on the priorities for the 2016 European semester, which will focus on the country reports published by the Commission on 26 February. The UK report, which is overall positive, includes analysis of the economic situation, Government policies, macro-economic imbalances and wider structural issues. There may also be a discussion on steps taken under the excessive deficit procedure and macroeconomic imbalance procedure.

*Inter-institutional agreement on better regulation (IIA)*

The GAC will vote to adopt the IIA and will also discuss the implementation of the legislative programming element of the IIA.

*Cohesion policy*

At the end of 2015, the Commission published a report setting out how member states had agreed to spend the European structural and investment funds allocated to them, as required under article 16 of the common provisions regulation (EU 1303/2013). The EU Commissioner for Regional Policy, Corina Cretu, will formally present the article 16 report and the Council conclusions will be adopted.

[HCWS604]

## HOME DEPARTMENT

## Terrorism Prevention and Investigation Measures

**The Secretary of State for the Home Department (Mrs Theresa May):** Section 19(1) of the Terrorism Prevention and Investigation Measures Act 2011 (the Act) requires the Secretary of State to report to Parliament as soon as reasonably practicable after the end of every relevant three-month period on the exercise of her TPIM powers under the Act during that period.

The level of information provided will always be subject to slight variations based on operational advice.

TPIM notices in force (as of 29 February 2016)	2
TPIM notices in respect of British citizens (as of 29 February 2016)	2
TPIM notices extended (during the reporting period)	0
TPIM notices revoked (during the reporting period)	0
TPIM notices revived (during the reporting period)	0
Variations made to measures specified in TPIM notices (during the reporting period)	2
Applications to vary measures specified in TPIM notices refused (during the reporting period)	0
The number of subjects relocated under TPIM legislation	2

The TPIM review group (TRG) keeps every TPIM notice under regular and formal review. The TRG met on 14 and 15 December 2015. The next TRG meetings will take place on 18 March 2016.

[HCWS603]

## TRANSPORT

## HS2 Phase One Hybrid Bill Select Committee Report

**The Minister of State, Department for Transport (Mr Robert Goodwill):** I am today publishing the Department's response to the second special report from the Select Committee for the HS2 Phase One hybrid Bill that was published on 22 February 2016.

The Select Committee was tasked with considering petitions from those specially and directly affected by the Bill and subsequent additional provisions to the Bill. Their second special report marked the culmination of over 18 months of Committee deliberations which began in July 2014. Over the course of the Select Committee process, 2586 petitions were lodged against the original Bill and the subsequent five additional

provisions to the Bill. The Select Committee heard approximately 1,600 of those petitions in formal session, with the remainder withdrawing, or choosing not to appear before the Select Committee, mainly as a result of successful prior negotiation with HS2 Ltd.

Where the Select Committee considered it appropriate to do so, they suggested modifications to the Bill powers, the provision of specific undertakings and assurances to petitioners or the provision of additional mitigation works. During the Select Committee process, five additional provisions were made to the Bill and many of these contained further mitigation measures that were agreed with petitioners and the Select Committee during the course of the hearings. The Select Committee's recent report summarises their hearings and contains further general recommendations as well as recommendations on specific petitions in relation to those issues where they felt an intervention was required.

In responding to the Select Committee, we have endeavoured to be as constructive as possible and have similarly aimed to confine our responses to those areas of the report where it seemed beneficial to note our agreement to the recommendation or to offer a clarification, where appropriate.

Alongside the response to the Select Committee report, we are also publishing a number of additional documents today. These are the Statement Of Reasons Command Paper, an equalities impact assessment consultation response report, together with supporting documents and a water framework directive assessment update.

The Statement Of Reasons Command Paper, which is entitled the "Government overview of the case for HS2 Phase One and its environmental impacts", is required by Parliamentary Standing Order 224A in order to assist the House during the third Reading of the HS2 Phase One hybrid Bill. This document summarises the work that has already been done to assess, control

and mitigate the environmental impacts of HS2 Phase One, and explains why the Government continue to take the view that the HS2 Phase One project is worthy of its support.

Two equalities impact assessment (EQIA) updates were published for consultation in 2015 to take account of changes to the Phase One Bill scheme made by the additional provisions to the Bill. The summary report that is being published today provides HS2 Ltd's response to issues raised by consultation responses received on the two EQIA updates. I am also placing some supporting documents into the Libraries of both Houses and these are the original hybrid Bill EQIA, the EQIA update consultations for Euston and the update consultation on the remainder of the Phase One route and the summaries of responses to both consultations.

The Phase One hybrid Bill was assessed for compliance against the water framework directive (WFD) objectives in a series of published documents. Since then, the Court of Justice of the European Union has ruled in favour of a challenge against a WFD objective assessment process. In doing so, the Court of Justice clarified the way in which compliance with the directive's key environmental objectives should be interpreted in the assessment of new developments and scheme proposals. In light of the ruling, the WFD assessment for the proposed scheme has been reviewed and updated and we are publishing this today.

Copies of the response to the Select Committee can be found on the [www.gov.uk](http://www.gov.uk) website. Copies of the statement of reasons, the equalities impact assessment consultation response report, together with supporting documents, and the water framework directive assessment update will be made available in the Libraries of both Houses.

[HCWS602]

# ORAL ANSWERS

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