

**Wednesday
11 May 2016**

**Volume 609
No. 157**



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Wednesday 11 May 2016

House of Commons

Wednesday 11 May 2016

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Mr Speaker: I have to tell the House that yesterday, together with other right hon. and hon. Members, I attended upon Her Majesty the Queen to deliver the House's message of congratulations on her 90th birthday. Her Majesty made the following reply:

"Members of the House of Commons,

I am most grateful to you for your address on the occasion of my ninetieth birthday.

I have been deeply touched by the many messages of congratulations which I have received on this particular birthday and I warmly reciprocate the good wishes of Members of the House of Commons at this time."

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

EU Membership

1. **Patricia Gibson** (North Ayrshire and Arran) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904912]

2. **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904914]

3. **Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904915]

6. **Marion Fellows** (Motherwell and Wishaw) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904918]

7. **Mike Weir** (Angus) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904919]

8. **Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): What assessment he has made of the potential effect on Scotland of the UK leaving the EU. [904920]

The Secretary of State for Scotland (David Mundell): I congratulate Nicola Sturgeon and the Scottish National party on achieving the largest number of seats in last

week's Scottish Parliament elections. I look forward to working with her and the new Scottish Government for the benefit of the people of Scotland.

The Government's position is that Scotland and the United Kingdom will be stronger, safer and better off remaining in a reformed EU. Membership of the EU reduces costs for Scottish businesses; supports jobs in Scotland; and provides an export market currently worth £11.6 billion.

Patricia Gibson: A re-run of "Project Fear" from the Prime Minister will not win the European referendum. Stories of war, genocide and economic crashes are not in keeping with making a positive case for the EU. When will we hear the positive case for remaining in the EU?

David Mundell: I would like to add my congratulations to the hon. Lady's husband on his re-election to the Scottish Parliament, where I am sure his witty repartee will once again be welcomed.

The hon. Lady and her colleagues repeatedly call for a positive campaign for Scotland to remain in the EU, but all we hear about from them is process and calls for a second referendum on independence. I call on them to disregard that approach and actually start setting out the positive case themselves.

Gavin Newlands: The UK Government have shown disregard for Scotland's higher education sector, severely damaging the talent pool by scrapping the post-study work visa against the unanimous wishes of business, civic society and, uniquely, all Scottish political parties. Does the Secretary of State accept the crippling effect that the Government's EU referendum is having on the ability to attract young talent to Scotland?

David Mundell: The biggest issue facing Scotland currently is the uncertainty over the Scottish Government's inability to rule out a second independence referendum, which they could quite easily do. I look forward to the First Minister, if she is re-elected to that post, setting out clearly that we will not have a second independence referendum. The Scottish Affairs Select Committee has produced a good report on the work study visa, and the Government are looking at it.

Ms Ahmed-Sheikh: Does the Secretary of State consider that with 60% of UK landings in Scotland, a Scottish fisheries Minister should lead during the period of the UK presidency of the EU? Would not such an initiative be widely welcomed by Scottish fishermen, or is the Secretary of State still stuck in this Westminster rut of some nations being "more equal" than others?

David Mundell: My position is that Scotland voted decisively to remain part of the United Kingdom, and that the United Kingdom represents Scotland's interest on fishing in the EU. The hon. Lady may be aware that the Scottish Government and the UK Government have been in discussions on intergovernmental relations, and particularly on how these issues of representation should work in the EU. My understanding is that the previous SNP-led Scottish Government were in agreement with those proposals.

Marion Fellows: This week's EY report was critical of the UK Government's approach to the energy sector, stating that it is not only stalling project development and investment but jeopardising UK energy security. Does the Secretary of State agree that the best way for Scotland's energy policy to develop is within the EU?

David Mundell: I absolutely agree that it is in the best interests of Scotland to remain in the EU, and it is also in the best interests of Scotland to remain in the UK, because it has been clearly set out that what is best for the future of Scotland's energy sector is a UK-wide common market.

Mike Weir: While we obviously want the UK to remain part of the EU, I am seriously beginning to wonder whether the Secretary of State's mission is to antagonise as many Scots as possible before the referendum. Will he at least agree that should Scotland be dragged out of the EU against its will, that would be a major constitutional change?

David Mundell: The hon. Gentleman may be interested to know that tomorrow night I shall share a platform with the former deputy leader of the SNP, Jim Sillars. I shall make the positive case for Scotland's remaining in the EU, and I understand that he will make the case for Scotland's leaving the EU.

Dr Cameron: Professor Simon Wessely, president of the Royal College of Psychiatrists, has warned that the UK's withdrawal from the European convention on human rights would remove safeguards that have been "bolstering the rights of psychiatric service users for decades". Will the Secretary of State join me in safeguarding mental health services, and oppose any attempts to withdraw Scotland from the convention?

David Mundell: As the hon. Lady knows, the Government is to launch a consultation on the introduction of a Bill of Rights after the EU referendum. However, I agree with her that the UK's remaining in the EU benefits everyone in Scotland.

Mr Peter Bone (Wellingborough) (Con): Does the Secretary of State agree that the Government are split on the issue of whether we should remain in the European Union. Just like the SNP, with Jim Sillars speaking for the leave campaign? Does he not think that it is somewhat embarrassing for the Government to be associated with that lot?

David Mundell: What the Government do, and what the Scottish National party does not always do, is respect the fact that people have different opinions. My view is very firmly that Scotland should remain in the EU, but I recognise and respect the fact that there are people in Scotland, including SNP voters and supporters, who want Scotland to leave the EU. That is why we are having a referendum, and that is why we are having a debate, and the people will have their say.

Mr Christopher Chope (Christchurch) (Con): Why has my right hon. Friend not emphasised that when we leave the European Union, the Scottish Parliament, the Scottish Government and the Scottish people will have sole control over Scottish fishing waters?

David Mundell: I do not believe that the best interests of Scottish fishermen, Scottish farmers or the general population of Scotland would be served by our leaving the EU. My hon. Friend—who now serves on the Scottish Affairs Committee—will know that, for example, large amounts of fish, particularly shellfish caught off the west coast of Scotland, go to a European market.

Mr David Nuttall (Bury North) (Con): Does my right hon. Friend agree that Scotland, like the rest of the United Kingdom, would be safer if it left the European Union because, as Sir Richard Dearlove, the former head of MI6, has said,

"Britain is Europe's leader in intelligence and security matters and gives much more than it gets in return"?

David Mundell: No.

Mr John Baron (Basildon and Billericay) (Con): What assessment has the Secretary of State undertaken of why the SNP is so keen on the EU when it is clear that the EU is in the global economic slow lane, when the EU's unemployment rates are so much higher—including youth unemployment of more than 50% in certain countries—and when it is an indisputable fact that the common fisheries policy has, over the years, decimated the Scottish fishing fleet?

David Mundell: I note the inherent contradiction in SNP Members' position, because every argument its members use for Scotland remaining in the EU is an argument that was dismissed when it related to Scotland remaining in the United Kingdom. However, on this occasion I will forgive them because, like them, I believe that it is in Scotland's best interests to remain in the EU.

Mike Freer (Finchley and Golders Green) (Con): Mrs Freer, a pensioner in my right hon. Friend's constituency, would like to say how pleased she now is to have two Mundells to choose from. She is also seeking reassurance that, as a pensioner, she would be better off in a reformed EU.

David Mundell: I am absolutely clear that the reforms that the Prime Minister brought forward will improve the EU for pensioners and citizens right across Scotland. I also believe that this is not the end of the reform process. The EU is not perfect, even after these reforms, but it is up to the UK to lead in reforming the EU, not to withdraw from it.

Kevin Foster (Torbay) (Con): The Secretary of State will be aware that the EU is based on its current member states. What assessment has he made of last week's Scottish Parliament election results in regard to ensuring the integrity of one of its largest members and removing the prospect of Scotland having to apply to join as a new member?

David Mundell: There was one clear message from last week's Scottish Parliament elections: the people of Scotland do not want another referendum. I hope that the First Minister has heard that message loud and clear. The EU referendum is about the UK's membership of the EU. It is not a rerun of the Scottish independence referendum.

Ian Murray (Edinburgh South) (Lab): May I also take this opportunity to congratulate all the MSPs who were elected last week, and to congratulate the SNP on its historic third term in government in Scotland? However, on a bad night for my party, my own seat of Edinburgh Southern saw a net gain from the SNP. I also want to congratulate the Secretary of State on his son Oliver being elected to the Scottish Parliament. His family now has two elected members, and they both have fetching beards—the word “fetching” being used loosely in this context.

The evidence is clear that the UK and Scotland are stronger in the EU. In the Scottish context, for example, as the Secretary of State has already said, the benefits include a market for 42% of our exports, a quarter of a million jobs, 10% of our higher education spending and a whole host of social protections. Can he assure the Scottish people that all Conservative MSPs will campaign to stay in the European Union?

David Mundell: I thank the hon. Gentleman for his congratulations to my son. I have to say that the high point of the election for me was when someone on the doorstep said, “You look a lot like your dad.” That aside, I can assure the hon. Gentleman that there will be a robust and proper debate in Scotland. Ahead of this referendum process, Ruth Davidson made her position very clear on supporting Scotland remaining in the EU. However, we cannot hide the fact that there are people in Scotland who would like to leave the EU, and I think their views should be reflected. The Conservative party in Scotland is not frightened to hide the fact that there are different views. Indeed, there are different views across Scotland.

Ian Murray: The Secretary of State has not told us what Oliver’s response was when the constituent told him he looked awfully like his dad. Perhaps he could tell us when he comes back to the Dispatch Box. Everyone knows that this EU referendum is more about settling old scores in the Conservative party than about doing what is best for the UK, and indeed Scotland. We also know that the Scottish National party is desperate for any excuse to trigger another independence referendum. However, the truth is that the UK is better off in the EU, and that Scotland is better off in the UK. So is it not the case that this Secretary of State and his Government have taken a huge gamble with the UK’s future, and with Scotland’s future too?

David Mundell: Absolutely not. What we have done is to allow the people of Scotland and the people across the United Kingdom to have their say on this important issue, and they will do so. We need to have a debate in Scotland, and I am campaigning vigorously—as the hon. Gentleman appears to be—for Scotland to remain in the EU. The SNP parliamentary party here at Westminster is campaigning for that as well. People like Jim Sillars are campaigning for Scotland to leave the EU. Let us have a vigorous debate in Scotland over the next few weeks. I look forward to sharing a platform with the hon. Gentleman and with SNP colleagues.

Alberto Costa (South Leicestershire) (Con): May I also congratulate Oliver Mundell on his election to the Scottish Parliament?

Will the Secretary of State confirm that he will continue to champion the Scotland Act 2016, which he steered through the House and which has given so many powers to the Scottish Parliament to ensure that the Scottish people continue to benefit from being not only in the UK, but in the EU?

David Mundell: I thank my hon. Friend. I must get my son elected more often, because there have been more plaudits today than I recall at previous Scottish questions.

We will of course move forward with the implementation of the Scotland Act, but we will also work hard to achieve a positive outcome for Scotland in the EU referendum on 23 June.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Does the Secretary of State agree that the already high support in Scotland for remaining in the European Union could be improved further still if Scottish farmers could be confident that they will get their CAP payments when they are supposed to?

David Mundell: The right hon. Gentleman raises an important point. The reason CAP payments have not been made to Scottish farmers is entirely due to the previous SNP Scottish Government. Any attempt to suggest that it is down to the EU is incorrect. Farmers and others know the benefits to Scotland of being in the EU and will vote to remain.

Oliver Colville (Plymouth, Sutton and Devonport) (Con): Were the UK to withdraw from the EU, what impact would that have on Scotland and the EU’s relationship with Malawi, to which I know my right hon. Friend has recently been?

David Mundell: My hon. Friend knows that I recently visited Malawi, and, without being indiscrete, I can firmly say that the Malawian Government are in favour of Scotland and the UK remaining in the EU.

Pete Wishart (Perth and North Perthshire) (SNP): There is little evidence that Scotland wanted this Tory EU referendum, and it seems like only a minority of the Scottish people want to leave the EU. When the Secretary of State is putting Scotland’s membership of the EU at risk, what is his message to the Scottish people if we are taken out of the EU against our national collective will?

David Mundell: That is another positive campaigning point from the SNP. It is not for me to give advice to the SNP, but if my vote had fallen by 500,000 between the general election and the election for the Scottish regional list I would be focusing on getting my supporters out to vote on 23 June to ensure that Scotland votes to remain.

Angus Robertson (Moray) (SNP): In the run-up to the European Union referendum, we are delighted on these Benches that the Scottish electorate has returned a pro-European SNP Government with the highest vote of any current party in any national election anywhere in western Europe. Most people in Scotland are pleased that, when given the opportunity, the Scottish electorate did not return a single MSP from the Europhobic UK irrelevance party and that there is a majority in the Scottish Parliament for Scottish independence as a member of the European Union. On the powerful case for remaining

in the EU, will the UK Government please concentrate on making a positive, inspiring case to stay, rather than on rewarming endless scare stories?

David Mundell: I have made it clear to the right hon. Gentleman that that is my exact intention. Perhaps he could undertake today to stop obsessing about process and a second Scottish independence referendum and to concentrate entirely on the positive reasons for Scotland to remain in the EU.

Angus Robertson: Scotch whisky is the largest net goods exporter to the European Union, both from Scotland and from the United Kingdom as a whole. Does the Secretary of State agree that the European single market is profoundly important and positive for that £1 billion trade, meaning that there is no need for customs forms, duplication of labelling, and safety requirements? Will he stress the positive advantages to the whisky industry, and all exporters from Scotland, to jobs and to profitability of remaining within the European single market and the European Union?

David Mundell: I am absolutely clear that what the right hon. Gentleman states is the case, and I am sure he will have welcomed the visit to Scotland made yesterday by my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs to stress the importance to the whisky industry of remaining in the single market. The particular points he makes about duplication in relation to labelling, certification and licensing are ones the Scotch Whisky Association has made, and I am sure the public will take them into account when they vote in the referendum.

North Sea Oil and Gas

4. **Glyn Davies** (Montgomeryshire) (Con): What steps the Government are taking to support the North sea oil and gas sector. [904916]

11. **Graham Evans** (Weaver Vale) (Con): What steps the Government are taking to support the North Sea oil and gas sector. [904923]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): Of course this is an important sector and it faces difficult times. That is why I am delighted that the Chancellor announced a £1 billion package of measures in the Budget: a reduction in headline rates of tax; major investment opportunities and encouragement in relation to exploration, infrastructure and late-life assets; a quarter of a billion-pound Aberdeen city deal; and the creation of an inter-ministerial group specifically targeting the oil and gas sector.

Glyn Davies: Does the Minister agree that we need a long-term approach to secure the future of the jobs in the oil and gas sector in the North sea, and that part of that future is about making sure the skills that have been developed over many decades are not lost at a time when world prices are very low?

Anna Soubry: I could not agree with my hon. Friend more, which is why we have established an inter-ministerial group specifically looking at this and many other issues, and in a short period of time we will publish our workforce plan.

Graham Evans: The North sea oil and gas industry provides vital home-grown feedstocks to Britain's chemical industry—Britain's largest manufacturing sector. Will the Minister assure the House that the Government will continue to take steps to support the many jobs that depend on this vital sector?

Anna Soubry: The short answer is, of course, yes. I pay tribute to my hon. Friend for the work he does on the all-party group on the chemical industry. This is a very important sector. I meet people from it on a regular basis and I am very pleased to see the sort of work they are doing to increase exports.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Last week, I raised concerns about the Transatlantic Trade and Investment Partnership and the threat to our public services, only for them to be dismissed by the Prime Minister as

“the reddest of red herrings.”—[*Official Report*, 4 May 2016; Vol. 609, c. 170.]

Since then, several high-profile organisations, including Unite, have rejected his claims. Will the Secretary of State make representations to the Prime Minister to insist on specific exemptions to protect Scotland's NHS and public services?

Anna Soubry: At this Dispatch Box, I and other Ministers repeatedly have said that these sorts of claims—[*Interruption.*] I am waiting for the right hon. Member for South Staffordshire (Gavin Williamson) to take his seat. I do not wish to be rude to the hon. Lady, but I must say that this is absolute rubbish that she puts forward, as others do. My right hon. Friend the Prime Minister is absolutely right: this is a red herring. I undertake to share with her all the letters from impartial sources who have written to support our contention that public services, especially the NHS, face no threat whatsoever from TTIP—it is a good idea.

Alex Cunningham (Stockton North) (Lab): I hope that the Minister is aware of the increasing anxiety of Scottish and indeed Teesside workers about reductions in investment in safety offshore and the failure in many cases of companies to work co-operatively with trade union safety representatives. What recent assessment has she made of safety offshore? What can we say to our constituents to reassure them that the Government are on the case?

Anna Soubry: The hon. Gentleman makes some very important points and I am more than happy to meet him to discuss them, including any allegations that the unions are not being fully engaged with. As he knows, I do not have a difficulty with trade unions, having been a shop steward. I am more than happy to have a meeting to discuss this important matter.

Trade Union Bill

5. **Mike Kane** (Wythenshawe and Sale East) (Lab): What discussions he has had with the Secretary of State for Business, Innovation and Skills and Ministers of the Scottish Government on the potential effect on Scotland of measures in the Trade Union Bill. [904917]

10. **Liz McInnes** (Heywood and Middleton) (Lab): What discussions he has had with the Secretary of State for Business, Innovation and Skills and Ministers in the Scottish Government on the effect on Scotland of the measures proposed by the Trade Union Bill. [904922]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): The Trade Union Bill is now waiting Royal Assent. It is about employment and industrial relations law, which are reserved matters, and it will apply consistently across the United Kingdom. We have engaged with the Scottish Government through the passage of the Bill, and we will carry on with that work.

Mike Kane: Despite the Trade Union Bill's worst elements being removed or watered down, it is still a bad Bill. Does the Minister agree that a bad Bill will not make for good industrial relations in Scotland?

Anna Soubry: I do not share the hon. Gentleman's views on the Bill. It is an excellent Bill and I fully support it and its aims.

Liz McInnes: Parties in both Wales and Scotland have prepared legislative consent memorandums on the Trade Union Bill on the basis that the Bill clearly impinges on devolved competences. In the light of that, does the Minister not now agree that the Bill should be subject to legislative consent motions? What action will the Government take to ensure that similar circumstances do not arise in future?

Anna Soubry: I am reliably informed that that has already happened. The hon. Lady is just not up to date on all of this.

Maggie Throup (Erewash) (Con): With the relegation of Labour to third place in last week's Scottish elections, does the Minister agree that now is exactly the right time to introduce an opt-in system for union members who wish to contribute to political funds rather than it being the default position?

Anna Soubry: My hon. Friend makes a very good point. I pay handsome tribute to the outstanding Ruth Davidson. Like the Prime Minister, she is a moderate, sensible, one nation Conservative. She has turned the skies of Scotland blue with, if I may say, a rather pleasing tinge of pink at the edges.

Wayne David (Caerphilly) (Lab): The Government made a number of concessions on the Trade Union Bill, but the Bill still seeks to undermine constructive social partnership and, as such, it is at odds with the democratic will of the people of Scotland and Wales. Given that the Government say that they believe in mutual respect between central Government and the devolved institutions, will they now hold immediate discussions with the devolved institutions about how the Bill will relate to Scotland and Wales?

Anna Soubry: Discussions are always continuing. Again, this is another red herring and the hon. Gentleman is out of touch on this. This Bill is good: it is good for Britain, good for trade unions and good for future working relations.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [904962] **Mike Kane** (Wythenshawe and Sale East) (Lab): If he will list his official engagements for Wednesday 11 May.

The Prime Minister (Mr David Cameron): This morning, I had meetings with ministerial colleagues and others and, in addition to my duties in this House, I shall have further such meetings later today.

Mike Kane: Even "fantastically corrupt" Nigeria is asking Britain to clean up its act and introduce beneficial ownership registers in the overseas territories. Will the Prime Minister achieve that tomorrow at the anti-corruption summit?

The Prime Minister: First, I had better check that the microphone is on before speaking. It is probably a good idea.

I thank the hon. Gentleman for his question. The answer is yes. We have asked three things of the overseas territories and Crown dependencies: automatic exchange of tax information; a common reporting standard for multinational companies; and central beneficial ownership registries so that UK enforcement can know who really owns the companies that are based there. They have delivered on the first two, and they will be following and delivering on the third. That is what he asked for, and that is exactly what he is getting.

Q2. [904963] **Victoria Prentis** (Banbury) (Con): In Banbury and Bicester, we have unprecedented housing growth. Does the Prime Minister agree that we must build sufficient starter homes so that the dream of home ownership becomes something to which everybody can really aspire?

The Prime Minister: I thank my constituency neighbour and hon. Friend for raising that question. The fact is that we are building more houses, including more affordable homes, right across England. The legislation going through this House and the other place will ensure that we deliver on our manifesto pledge of 200,000 starter homes. Those are the homes that we want to see—affordable for people to buy. I hope that, even at this late stage, the Labour party and the House of Lords will stop blocking this Bill.

Jeremy Corbyn (Islington North) (Lab): Since we often celebrate great national events in this House, will the Prime Minister join me in wishing Sir David Attenborough a very happy 90th birthday and thanking him for the way in which he has presented nature programmes on television and awakened the ideas of so many people to the fragility of our ecosystem? He has educated a whole generation.

On this side of the House, we are fully aware—*[Interruption.]* I haven't asked a question yet. We are fully aware that the European Union has strengthened workers' rights in many ways. In March, while the Prime Minister was trying to undermine workers' rights

with his Trade Union Bill, the European Commission put forward proposals to close loopholes in the posting of workers directive that would stop employers exploiting foreign workers and undercutting national rates of pay. Will the Prime Minister confirm that his Government will protect workers and back these reforms to stop the undercutting and the grotesque exploitation of many workers across the continent?

The Prime Minister: First of all, I certainly join the right hon. Gentleman in wishing a very happy birthday to David Attenborough. Many of us in this House feel that we grew up with him as our teacher about the natural world and the environment. He is a remarkable man. I am proud to say that the royal Arctic survey ship will be named after David Attenborough. There was strong support for Boaty McBoatface. I think the submarine on the boat will be named Boaty McBoatface but, quite rightly, Attenborough will take top billing.

On the posted workers directive, we are looking at this matter closely and working with our partners. We see some merit in what is proposed. I can tell the right hon. Gentleman today that the yellow card procedure has been invoked by national Parliaments over this, demonstrating the importance of these sorts of safeguards, even more of which we achieved in my renegotiation. The best thing that we can do for workers' rights in this country is to celebrate the national living wage, introduced by a Tory Government.

Jeremy Corbyn: The national minimum wage was introduced by Labour. The national living wage proposed by the Prime Minister's friend the Chancellor is, frankly, a corruption of the very idea. It is not, in reality, a proper living wage.

My question was about the posting of workers directive proposals, which would prevent the grotesque exploitation by unscrupulous employers of workers being moved from one nation to another to undercut wages in the second nation. Will the Prime Minister be absolutely clear: will the British Government support this very important reform to stop this exploitation?

The Prime Minister: As I have said, we are working with the Dutch presidency. We think there is merit in a lot of the proposals, but we want to make sure we get the details right.

Let me pull the right hon. Gentleman up on something: he has just described the national living wage as "a corruption". The national living wage is £7.20 an hour—a £20 a week pay rise for some of the poorest people in our country. I really think he ought to get up and say that he supports the national living wage, and thank the Government for introducing it.

Jeremy Corbyn: I support a wage rise, obviously. The point I am making is that it is not a living wage, as it is generally understood.

Yes seems to be one of the hardest words for the Prime Minister to say. For the third time, will he just say whether or not he supports the posting of workers directive? He might be aware that Patrick Minford, a former economic adviser to Margaret Thatcher, said that the European Union has a negative effect on the City of London and that he wants the "shackles" of European regulation removed. Does the Prime Minister

believe that our membership hurts the City of London or does he believe that European Union regulation of the finance sector in Britain and British-administered tax havens help curb the sort of bad practice exposed by the Panama papers and underlined by my hon. Friend the Member for Wythenshawe and Sale East (Mike Kane) in his earlier question?

The Prime Minister: This is an area where we basically agree with each other about the European Union, so I will try to identify a question in that lot and answer it as positively as I can. First, I completely disagree with the economist Patrick Minford. He wants to see manufacturing industry in our country obliterated. It would be a disastrous step if we followed the advice that he gives. On the City of London, we need the right regulation for the City of London to continue its massive rate of job creation and wealth creation in our country, but we also need to remain members of the single market because it is absolutely vital for this important sector of our economy. I hope that on that, as on the issue of the national living wage, we can find some agreement between us.

Jeremy Corbyn: The question that I also put to the Prime Minister, which perhaps he was not listening to, was what he was going to do—[*Interruption.*] I asked what he was going to do about the UK-administered tax havens that receive large sums of money from dodgy sources, which should and must be closed down, as should any tax evasion in the City of London. We need a British Government who are prepared to chase down this level of corruption.

The Prime Minister: This Government have done more than any previous Government to make sure that our overseas territories and Crown dependencies are not tax havens, but behave in a responsible way. As I said earlier, they are now taking part in the automatic exchange of tax information—that did not happen before; they have signed up to a common reporting standard for multinational companies—that did not happen before; and they are getting central registries so that we can find out who owns the companies in each territory. All these things are real progress. Of course, we would like them to go further and have public registries of beneficial ownership, as we are introducing in this country, not because of anything a Labour Government did, but because of a decision by a Conservative Prime Minister. I urge the right hon. Gentleman to be fair on those territories and Crown dependencies: many of them have gone much further even than many developed countries. Indeed, you get more information now out of some of our Crown dependencies and overseas territories than you would get out of the United States—for example, Delaware. So let us be fair on the territories for which we have an obligation and a responsibility. We are making them improve their record and the right hon. Gentleman should acknowledge that.

Jeremy Corbyn: A month ago the Prime Minister informed the House that he welcomed the European Union proposals on country-by-country tax transparency reporting. We agreed with that, yet on 26 April Conservative Members of the European Parliament voted against these proposals. Did they not receive a memo from him or what? People expect that people pay their tax in this

country. Tomorrow the European Parliament will be voting again on country-by-country reporting. Can the Prime Minister assure the House that Conservative Members of the European Parliament will support these measures, as he told us they would a month ago?

The Prime Minister: The most important thing is that we support these measures. This Government support the measures. These measures have come forward only because it has been a Conservative Government here in the United Kingdom proposing them. The only area of disagreement, I suspect, between the right hon. Gentleman and myself is that I do not think we should set a minimum tax rate for these countries. It has always been a position of Labour Governments and previous Conservative Governments that although we want to make sure that all these territories behave properly, we do not make them set a minimum tax rate. That is the difference between us. If he wants to swap voting records of Labour MEPs and Tory MEPs, let us have a whole session on it. I have plenty of material here.

Jeremy Corbyn: That was a very long answer—*[Interruption.]* The Prime Minister could simply have said whether or not he supports the proposals and whether his Conservative MEPs are going to vote for them.

The Prime Minister will be very well aware of the concern across the whole country about the question of unaccompanied child refugees across Europe. Their plight is desperate and they are in a very dangerous situation. Everyone's heart reaches out to them, but we have to do more than that and we have to be practical in our help for them. I got a letter this week from a voluntary worker with child refugees by the name of Hannah. She wrote to me about these children, some of whom have family members in this country. Can the Prime Minister confirm that in response to Lord Dubs' amendment, there will be no delay whatsoever in accepting 3,000 unaccompanied child refugees into this country to give them the support they need and allow them to enjoy the childhood that they and all our children deserve?

The Prime Minister: We will follow the Dubs amendment—that is now the law of the land. The Dubs amendment says that we have to consult very carefully with local authorities to make sure that, as we take these children in, we are able to house them, clothe them, feed them and make sure they are properly looked after. So we need to look at the capacity of our care system, because if you look at some councils, particularly in Kent and southern England, you see they are already struggling because of the large number of unaccompanied children who have come in.

Just two figures for the right hon. Gentleman, to put this in context. Last year 3,000 unaccompanied children arrived and claimed asylum in the UK, even before the scheme that is being introduced. The second figure is, under the Dublin regulation, children with a connection to the UK can already claim asylum in France or Italy and then come to the UK, and we have accepted 30 such transfers since February. What I can say about Dubs is that there will not be any delay—we will get on with this as fast as we can—but in order to follow the law, we have to talk to our local authorities first.

Q4. [904965] Tom Pursglove (Corby) (Con): During President Obama's recent visit, was the Prime Minister able to talk to him about the Chinese dumping of steel and the robust action he has been able to take in the United States to address it, including introducing tariffs of 288%? If so, was his advice, "Keep backing British steel, increase the tariffs and tell the Chinese to go to the back of the line"?

The Prime Minister: I did discuss this issue with President Obama, and both the US and the European Union have taken action against Chinese dumping. If you look at the figures, the excess capacity in China is around 25 times higher than the UK's entire production. The anti-dumping tariffs we have produced in the EU have been very effective and, in some categories, have reduced Chinese exports by as much as 98%. So my hon. Friend should not believe some of the figures put around that the EU action does not work; it does work, and if we were outside the EU we might be subject to those tariffs ourselves.

Angus Robertson (Moray) (SNP): The Prime Minister's Government were elected with 37% of the vote, so I am sure he would acknowledge the success of Nicola Sturgeon and the SNP in being returned victoriously, for a third time, with 46% of the vote—the highest figure currently of any political party in national elections anywhere in western Europe.

On the anti-corruption summit, has the Prime Minister read the appeals from Nigerian campaigners who say that their

"efforts are sadly undermined if countries such as your own are welcoming our corrupt to hide their ill-gotten gains in your luxury homes, department stores, car dealerships, private schools and anywhere else that will accept their cash with no questions asked. The role of London's property market as vessels to conceal stolen wealth has been exposed in court documents, reports, documentaries and more"?

What is the Prime Minister going to do about this?

The Prime Minister: I am delighted to congratulate Nicola Sturgeon on her victory in the Scottish elections, as I am sure the right hon. Gentleman would want to congratulate Ruth Davidson on her stunning performance. We have something in common, because the SNP has gone from majority to minority, while the Conservatives have gone from coalition to majority. Next week he can get up and ask me how we are getting on with ordering some more pandas for Edinburgh zoo—I think that would be a very positive development.

The question the right hon. Gentleman asks about the corruption summit is absolutely right: the whole point of holding this summit in London is to say that action is necessary by developed countries as well as developing countries. One of the steps we are taking—to make sure that foreign companies that own UK property have to declare who the beneficial owner is—will be one of the ways we make sure that plundered money from African countries cannot be hidden in London.

Angus Robertson: It would be helpful if the Prime Minister confirmed that that list will be publicly available and not just accessible for the police. Seeing as how he is prepared to lecture other countries on corruption and probity, will he explain why seven police forces in the UK have launched criminal investigations into Conservative

MPs for potential electoral fraud? That is very serious, so how is it that a Conservative police and crime commissioner can serve in such a role while being under police investigation?

The Prime Minister: First, let us be clear about this anti-corruption summit. Nobody is lecturing anybody. One of the reasons this issue does not get addressed is that countries and politicians are too worried about addressing it knowing that no country is perfect—nor, indeed, is any politician. But I think it is right for Britain to take this lead, not least because we meet our 0.7% contribution on aid. I think we are entitled to raise this incredibly important issue. As to what the right hon. Gentleman says about the Electoral Commission, the whole point is that in this country the Electoral Commission is independent. When it comes to operational decisions by police forces, they are independent too. Long may that be the case: that is the hallmark of an incorrupt country.

Q8. [904969] **Henry Smith** (Crawley) (Con): I know my right hon. Friend will want to join me in congratulating Katy Bourne, who was re-elected as the Sussex police and crime commissioner last week, topping the poll in Crawley for her work in helping victims. In that respect, will the Prime Minister commit to introducing a British Bill of Rights as soon as possible?

The Prime Minister: I am happy to make that commitment and let me join him in congratulating Katy Bourne and all successful candidates. I think what we saw in the police and crime commissioner elections—*[Interruption.]* In a minute. What we saw in the police and crime commissioner elections was a very large increase in turnout, sometimes as much as a 25 percentage point increase. I think this new role is bedding in well.

For the sake of completion, I am very happy to congratulate Carwyn Jones, whom I spoke to over the weekend, and Arlene Foster, who will be First Minister of Northern Ireland. I spoke to her and the Deputy First Minister yesterday. And I congratulate Sadiq Khan, who won a very clear victory in London. We all look forward to working with him for the benefit of Londoners.

Q3. [904964] **Diana Johnson** (Kingston upon Hull North) (Lab): When Hull was left out of the Government's plans for the rail electrification of the north, Hull businesses got together and produced a privately financed scheme to do the work for the city of culture 2017. It has been with the Department for Transport for two years. Does the Prime Minister think that the Department for Transport's attitude shows incompetence or indifference to the scheme that has been put forward with private money?

The Prime Minister: I think the hon. Lady is being slightly unfair on the Department, not least because passengers will benefit from 500 brand new carriages, and the removal of the outdated and unpopular Pacer trains. Some £1.4 million of investment is going into Hull station to be delivered before it becomes the UK city of culture. I understand that the Department for Transport is considering the case to complete the electrification between Selby and Hull. We make these investments because we have a strong economy and we are investing in our infrastructure.

Q9. [904970] **Andrew Stephenson** (Pendle) (Con): I recently visited Silentnight in Barnoldswick. Its award-winning apprenticeship scheme has now created 40 full-time jobs. Will the Prime Minister join me in congratulating Silentnight on the success of its scheme, which has helped the company to expand, and allowed it recently to award all of its more than 1,000 employees with an additional £250 thank you bonus?

The Prime Minister: I am happy to join my hon. Friend in congratulating Silentnight. I remember visiting it with him in 2014. Back then, it employed 800 people. It now employs 1,100 people. That is a good example of a business expanding under this Government. It is a big backer of apprenticeships. Of course, our target is 3 million apprentices in this Parliament.

Q5. [904966] **Jess Phillips** (Birmingham, Yardley) (Lab): Already in 2016, at least 46 women have been murdered in the UK. This number would be much higher if not for specialist refuges. I am standing to beg the Prime Minister to exempt refuge accommodation from the changes to housing benefit beyond 2017. This will certainly close services. I do not want to hear a stock answer about the £40 million over the next four years. He knows and I know that that will not stop refuges shutting. Will he exempt refuges? Will he choose to save lives—please?

The Prime Minister: The hon. Lady raises an important point. That is why we delayed the introduction of this change so that we could look at all the possible consequences and make sure we get it right so that we help vulnerable people.

Q12. [904973] **Mike Freer** (Finchley and Golders Green) (Con): HIV infection rates in the UK are on the rise. My right hon. Friend will be aware that NHS England has refused to fund a pre-exposure prophylactic treatment. Will he agree to meet me and leading AIDS charities so that we can review this unacceptable decision?

The Prime Minister: It is right that my hon. Friend raises this. My understanding is that NHS England is considering its commissioning responsibility. I want it to reach a decision on this quickly—this month, if possible—because there is no doubt, as he says, that there is a rising rate of infection, and that these treatments can help and make a difference. We are planning trial sites that are already under way, and we are investing £2 million to support them over the next two years. But he is right to raise this, and I will make sure he gets the meetings he needs to make progress with it.

Q6. [904967] **Keir Starmer** (Holborn and St Pancras) (Lab): In my first year as an MP, every other person coming to my constituency advice service surgery has been an anxious council tenant, usually mum, dad and two or three children living in a one-bedroom flat, and they are often in tears. They cannot afford to rent in the private market, they cannot afford to buy their council flat, and they absolutely cannot afford a starter home. Can the Prime Minister explain in practical and meaningful terms that I can read to them from *Hansard* when I go to my surgery on Friday why, in his view, the Housing and Planning Bill will not make their intolerable situation worse?

The Prime Minister: I would say to the hon. and learned Gentleman's constituents that there is a series of things that I believe will help them. First, making sure that the right to buy is there for housing association tenants as well as council tenants, with the full discounts, makes a difference. Added to that, Help to Buy means that people need a smaller amount of equity to buy their house, and that helps too. Further to that, starter homes will make a difference because they will be more affordable. Added to that, shared accommodation homes means that where you previously needed a deposit of £30,000 to buy a house, you may be able to buy a house now for a just a few thousand pounds' deposit. All of those things make a difference. And for those in estates that need regeneration, we are backing that regeneration, which never happened under a Labour Government.

Q13. [904974] **Craig Williams** (Cardiff North) (Con): I am proud that this Government have delivered unemployment levels in my constituency at a record low of 1.6%. I am doubly proud that this Government have delivered the Cardiff city deal—a £1.2 billion investment in infrastructure. Does the Prime Minister agree, and does he share my eagerness now to see the M4 relief road, the eastern bay link, and electrification of the City and Valley lines delivered in Wales?

The Prime Minister: My hon. Friend is absolutely right to raise these issues, because the money is there, and now, frankly, with a new Welsh Government in place, we need the action, particularly on the M4, which is a vital transport artery. We have given the Welsh Government £500 million in increased borrowing powers. The delay in upgrading the M4 is damaging business in south Wales, and frankly it is high time that the Welsh Government got on with it.

Q7. [904968] **Roger Mullin** (Kirkcaldy and Cowdenbeath) (SNP): The “Why young Syrians choose to fight” report claims that it is money rather than religious fervour that acts as a recruiter for Daesh. While the Syrian army pays about \$100 per month, often late, Daesh can pay \$300 a month, on time, due to its funding and sophistication. Does the Prime Minister agree that much more needs to be done to offer alternative economic avenues for Syrians, to disrupt flows of funding, and to undermine the brains behind Daesh?

The Prime Minister: I agree with what the hon. Gentleman says about the importance of economic development and aid, and that is why we have a very generous aid budget, but clearly right now in Syria it is very difficult to get aid support and development through. Where I take issue with him is that if we see this purely as Daesh recruiting people because it is paying them, we would miss the point that the cancer of Islamist extremist violence is damaging our world and our country not just in Syria but in other places too, and we have to understand the nature of that extremism if we are going to defeat it.

Q14. [904975] **Mr Alan Mak** (Havant) (Con): Havant's new Dunsbury Hill Farm business park will create about 3,500 new jobs. Will the Prime Minister join me in congratulating its first new tenant, Fat Face, and support job creation across Britain?

The Prime Minister: I certainly join my hon. Friend in congratulating business in his constituency on its expansion. The claimant count in his constituency has fallen by a staggering 52% since 2010, and we need to keep on with this by making sure that we are expanding the training and the apprenticeships that help people to get the jobs that are being created.

Q10. [904971] **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): The Prime Minister said as Leader of the Opposition that the UK was fast becoming a “surveillance state” with powers that would “cause concern under the most oppressive regimes”, and he promised to “sweep the whole rotten edifice away.”

But he has completely U-turned, and his Investigatory Powers Bill proposes to retain a record of every website visited by anyone in the UK. Why has the Prime Minister changed from being the self-proclaimed defender of civil liberties in opposition to championing ineffective mass surveillance in government?

The Prime Minister: I completely disagree with the hon. Gentleman, and I hope that he will follow and listen to the debates that take place on this vital Bill. The fact is that if we want to make sure that we can keep our country safe, just as we have been able to see the communications data when two people talk to each other on a mobile phone or a fixed phone, the same has to be true if that conversation is taking place between people visiting an internet site. Is he happy for plots to be hatched, terrorism to be planned and murders to be arranged because people are using an internet site rather than a telephone? My answer to that would be no. We have got to modernise our capabilities to keep our country safe, and that is what this Bill is about.

Geoffrey Clifton-Brown (The Cotswolds) (Con): My right hon. Friend said in November 2015:

“Access to the internet shouldn't be a luxury; it should be a right”.

The accompanying press release went on to say that every home and business could

“have access to fast broadband by the end of this Parliament.”

Will my right hon. Friend say today, unequivocally—no ifs or buts—that this commitment will be honoured?

The Prime Minister: I am afraid my hon. Friend is going to have to wait for the Queen's Speech, in which we will be setting out the next steps of how we make sure that access to this absolutely vital highway is there for all our citizens.

Q11. [904972] **Chris Law** (Dundee West) (SNP): Will the Prime Minister give me a personal commitment to work with the Scottish Government to deliver funding for a Tay city deal for Dundee and the surrounding area?

The Prime Minister: I am very happy to give that commitment. I think city deals are working. They are working in Scotland, and I was very proud to be there with the Aberdeen city deal. I make the point that, obviously, city deals between the Scottish Government, the UK Government and the city concerned can only work if we are all part of one happy United Kingdom.

Lucy Allan (Telford) (Con): Respected journalist Laura Kuenssberg has been subjected to an online hate campaign, which appears to be a sexist witch hunt to silence her. Increasingly, this is a tool used against people in public life by those who take an opposing view. Will my right hon. Friend condemn this kind of harassment, and will he work with media and social media platforms to preserve the right to speak freely without intimidation or hate?

The Prime Minister: We must be able to speak freely and we must have a robust and lively democracy, but some of the things that people say on Twitter, knowing that they are in some way anonymous, are frankly appalling. People should be ashamed of the sort of sexist bullying that often takes place.

Q15. [904976] **Ms Karen Buck** (Westminster North) (Lab): Last week, London elected a new Mayor with an overwhelming mandate to tackle London's housing crisis. It is a crisis that many of us fear the Housing and Planning Bill will make worse. Last April, the Prime Minister launched his manifesto, promising to replace sold council houses with affordable homes in the same area. Why, then, will he oppose an amendment to the Housing and Planning Bill this afternoon that would effectively implement last year's manifesto commitment?

The Prime Minister: Let me again congratulate Sadiq Khan on his victory and say how much we are looking forward to working with him on the issues that matter to Londoners, whether it is transport, housing or keeping London safe. I put the question back to the hon. Lady: our Housing and Planning Bill means that every high-value property sold will mean two new affordable homes in London, so why is it that the Labour party here and in the other place are opposing something that will mean more houses, more affordable housing and more home ownership? That is the truth. They talk a good game, but, in the end, they are the enemies of aspiration.

Jack Lopresti (Filton and Bradley Stoke) (Con): During military operations in Afghanistan, British forces were heavily reliant on locally employed interpreters, who constantly put themselves in harm's way alongside our people. I saw with my own eyes during Herrick 9 just how brave these interpreters were. Does the Prime Minister agree that it is a stain on our country's honour that we have abandoned a large number of them to be threatened by the Taliban? Some have been murdered and others have had to flee their homes, in fear of their lives. We owe the interpreters a huge debt of gratitude and honour, and we must provide safety and sanctuary for them here.

The Prime Minister: We debated and discussed around the National Security Council table in the coalition Government and then announced in the House of Commons a scheme to make sure that those people who had helped our forces with translation and other services were given the opportunity of coming to the UK. We set up two schemes: one to encourage that, but also another scheme, a very generous scheme, to try to encourage those people who either wanted to stay or had not been translators for a long enough period to stay in Afghanistan and help to rebuild that country.

I think it is important to have both schemes in place, rather than simply saying that everyone in any way involved can come immediately to the UK. Let us back Afghans to rebuild their own country.

Hywel Williams (Arfon) (PC): The Prime Minister has confirmed to me that should we leave the EU, the European convergence funding for the very poorest parts of Wales would of course cease. Will he now confirm that in such a case the UK Government would make up the difference?

The Prime Minister: The point I would make to the hon. Gentleman, as I would to anyone asking a question about what happens were we to leave, is that I do not think you can give a guarantee. I am a profound believer in our United Kingdom. I want to go on making sure that poorer regions and parts of our country are properly supported. If, as I think is the case, we find that our economy would be hit by leaving and our tax receipts would be hit by leaving, that is obviously going to impact the amount of funding that we can put into agriculture, research or, indeed, poorer parts of our country. That is why I think the safe, sensible and right option is to vote to remain in a reformed European Union.

Philip Davies (Shipley) (Con): May I support the Prime Minister on his comments about Nigeria and Afghanistan, and ask him to stop pouring hundreds of millions of pounds of taxpayers' money into those and other corrupt countries until they have cleaned up their act? While he is at it, will he tell us where he has the European Union in his league table of corruption, given that it has not had its accounts signed off for 20 years?

The Prime Minister: I thank, as ever, my hon. Friend for his help and support, and for his tips on diplomacy as well, which are useful given the past 24 hours. I would say to him that the leaders of countries such as Nigeria and Afghanistan are battling hard against very corrupt systems and countries. In both their cases they have made some remarkable steps forward, and that is why I am so keen to welcome them to the anti-corruption conference in London.

Where I part company with my hon. Friend is that I do not think it would be right to withdraw the aid that we give because, frankly, problems in those countries come back and haunt us here, whether they are problems of migration or problems of terrorism and all the rest of it. We are a country involved in a dangerous global world, and I see our aid budget, at 0.7%, alongside our defence budget, at 2% of our GDP, as ways of keeping us safe and prosperous in a dangerous world, as well as ways of fulfilling our important moral responsibilities.

Several hon. Members *rose*—

Mr Speaker: Order. I am afraid the amount of noise regularly in the Chamber makes it necessary to outdo Barclays premier league matches in the provision of injury time. It is a pleasure to call Gill Furniss.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): Twenty seven years ago in my constituency, we saw the country's biggest sporting disaster. It is clear

that we will not have the full truth about Hillsborough until we have the full truth about Orgreave and the policing of the miners' strike. Will the Prime Minister accept the call by the Orgreave Truth and Justice Campaign and initiate an inquiry?

The Prime Minister: My right hon. Friend the Home Secretary has met that group, is considering the points they have put forward and will come to her conclusions at the right time.

Steve Double (St Austell and Newquay) (Con): Business leaders in Cornwall, and indeed up and down the country, are awaiting news of progress on the decision about airport expansion in the south-east. Following this morning's announcement by Heathrow airport that it now accepts all the Airport Commission's recommendations, will the Prime Minister update the House on when we can expect a decision? Does he agree with me that a third runway at Heathrow offers the best opportunity for growth, jobs and the future prosperity of our country?

The Prime Minister: May I first—one of my many unforced errors in the past 24 hours—apologise to the hon. Member for Sheffield, Brightside and Hillsborough (Gill Furniss)? I should of course have welcomed her to the House of Commons and congratulated her on her by-election victory. She has lost no time in speaking up for her constituents in a very powerful and very accomplished way.

Let me say to my hon. Friend the Member for St Austell and Newquay (Steve Double) that, as we announced earlier this year, there are air quality issues that need to be resolved. We are on our way to working out how to resolve them, and when we do, we can come back to the House and announce what will happen next.

Louise Haigh (Sheffield, Heeley) (Lab): My constituent's mother was killed in 1981. At the time, it was covered up as a suicide pact, but 18 years later it was uncovered that she had actually been murdered by my constituent's father and his mistress. I do not think that anyone in this House will be able to imagine the pain and suffering that she and her family have had to endure. They are now having to relive that pain, because ITV is dramatising their whole ordeal, completely against her wishes, using not only the real names of her family but her own real name. I have raised this with ITV and with Ofcom, and, as far as I can see, no rules have been broken, but does the Prime Minister agree that victims' voices should

have a far greater role in any account of their tragedy? Will he meet me and my constituent to discuss what more could have been done in this case and how we can strengthen regulation in future to protect victims?

The Prime Minister: I was not aware of the case that the hon. Lady rightly raises. I remember from my time working in the television industry that there are occasions when decisions are made that can cause a huge amount of hurt and upset to families. I will discuss this case with the Culture Secretary to bring it to his attention and see whether there is anything more—apart from the conversations that she has had with ITV and with Ofcom, which is a powerful regulator—that can be done.

Mrs Anne Main (St Albans) (Con): Yesterday Lord Prior spoke up for vaping as a way of getting off cigarettes; so has the Royal College of Physicians. Why are we bringing in the Brussels diktat that says that we must include vaping in the tobacco directive?

The Prime Minister: I am happy to look at this issue closely. It is necessary to differentiate between smoking and vaping, because they have very different health effects. I actually think that that is what is being achieved, but I will look into this carefully and will write to my hon. Friend.

Several hon. Members *rose*—

Mr Speaker: Lastly, Mr Tim Farron. [*Interruption.*] Order. However irritating the hon. Gentleman may be to Government Back Benchers, he has a right to be heard and he will be heard.

Tim Farron (Westmorland and Lonsdale) (LD): I am fantastically grateful to you, Mr Speaker. I heard the Prime Minister on two occasions this afternoon congratulate the new Mayor of London, Sadiq Khan, and I would like to repeat those congratulations myself. The Prime Minister did not, however, apologise for the disgraceful racist campaign the Conservative party chose to run in that election. Will he take the opportunity to apologise for deliberately dividing communities in order to win cheap votes?

The Prime Minister: It is a great way to end the Session—getting a lesson in clean campaigning from the Liberal Democrats.

White Paper on the BBC Charter

12.44 pm

Maria Eagle (Garston and Halewood) (Lab) (*Urgent Question*): To ask the Secretary of State for Culture, Media and Sport to make a statement on the publication of the White Paper on the BBC charter.

The Secretary of State for Culture, Media and Sport (Mr John Whittingdale): I can inform the House that I will be making a statement tomorrow and laying before the House our White Paper on the BBC. The BBC's royal charter expires at the end of the December. I launched our public consultation in this House in July last year, and in March we published the summary of responses, along with an independent review of the BBC's governance led by Sir David Clementi. Over the past 10 months we have listened to the views of hundreds of organisations and institutions, and 190,000 members of the public responded to our consultation. As well as working closely with the BBC and the BBC Trust, we have also had the benefit of expert input from parliamentary Committees of both Houses, as well as from Holyrood, Cardiff and Stormont.

The proposals in our White Paper are the result of one of the largest and most open consultations ever conducted. I have always been clear that I will publish our proposals as soon as we are ready to do so, and at a time when the House has the opportunity to debate them, and I look forward to doing so tomorrow.

Maria Eagle: The BBC is one of the most valued and successful institutions ever created in the UK, and it belongs to the people of this country who pay for it. It has levels of public approval that any politician would die for, and it is the linchpin of a unique ecology of broadcasting in this country, which enables the creative industries in Britain to grow at twice the level of the rest of the economy, exporting more content and employing more people than its size would suggest possible. It enables the UK to project soft power, and it creates good will for Britain throughout the world.

The Secretary of State has been displaying seemingly implacable hostility to the BBC during the charter renewal process, and he has also been avoiding Parliament. He had to be dragged to the House after weeks of almost daily leaked briefings to the media. He has not come willingly to Parliament, and he seems intent on using his brief sojourn in office not to strengthen the BBC but to diminish it; not to see value in it, but to denigrate it; not to enable it, but to control it.

Does the Secretary of State accept that a good charter must do three things? It must guarantee the BBC's financial and editorial independence, and it must help it to fulfil its mission to inform, educate and entertain us all. Given that the BBC has agreed to take on the £1.3 billion cost of funding free TV licences for the over-75s, does he accept that any further top-slicing or direction from Government about precisely how money from licence fee payers should be spent is an unwarranted interference in BBC independence that threatens its financial independence?

On governance, does the Secretary of State accept that his proposals to appoint a majority of the BBC's new unitary board, which we have read about in the

newspapers, go further than suggested by the Clementi review of BBC governance? Does he accept that that raises a widespread concern that he is seeking to control editorial decision making, by appointing a majority of the BBC board responsible for editorial decisions—something that has never happened before? Does he agree that any such move would be catastrophic for the reputation of our national broadcaster overseas, and diminish its credibility and the respect in which it is held around the world for its objective reporting? Labour Members believe that appointments to any new unitary board must be made through a process that is demonstrably independent of the Government. The recent consultation on the BBC charter—which had the second largest response to a Government consultation ever—shows that three quarters of the public want the BBC to remain independent. Will he listen to that result?

The BBC does a brilliant job in informing, educating and entertaining us all, and four fifths of the public believe that it serves its audiences well. Today we read in the newspapers that the Secretary of State intends to rewrite the BBC's mission. He is wrong to do so, and we will oppose any such revision. He is seeking to turn the BBC away from a mission that has succeeded brilliantly for 90 years and of which the public approve. Just who does he think he is?

The Secretary of State claims time and again that he is a supporter of the BBC, but he recently told Cambridge students that the disappearance of the BBC was a "tempting prospect". He did not like the results of the public consultation, so he is simply ignoring them, but the public love the BBC and want it to carry on doing what it has been doing so well for more than 90 years.

May I finish by giving the Secretary of State a bit of advice? It is not too late for the Secretary of State to start listening to the public. Indeed, he had better do so. He will not be forgiven, and nor will his party, if he continues on the path, which he has been briefing to the newspapers, that will lead to the destruction of the BBC as our much loved national broadcaster and turn it instead into a mouthpiece of the Government of the day.

Mr Whittingdale: I agree with the shadow Secretary of State's opening comments. The BBC has a very trusted place in British life and does a huge amount to support creative industries, and its global influence is enormous. We agree on those things and I am determined to preserve them, but to say that I have been dragged to Parliament is a little bit rich when it has always been the intention for us to make a full statement when the House is sitting—that will take place tomorrow.

The shadow Secretary of State set out three concerns on which she said she would judge our White Paper. I am not going to reveal the contents of the White Paper before it is published, but I can tell her that she will find that we agree with her about all three of the concerns she outlined and that they will be met.

We have had an extensive consultation and have taken account of it. The hon. Lady has asked legitimate questions. I would simply say to her that they are legitimate questions for tomorrow when she has had the chance to read the White Paper rather than for now, when she has read comments in the newspapers that range from complete fantasy to others that are quite well informed but certainly not informed by me or my Department.

We occasionally criticise the BBC for repeats and insist on original content wherever possible, but I suspect we will have an awful lot of repeats tomorrow from the hon. Lady, because that is when she should ask the questions and when I shall be happy to provide her with answers.

Mr Kenneth Clarke (Rushcliffe) (Con): Does my right hon. Friend agree that that worldwide reputation of the BBC, which he and I admire, depends above all on its obvious independence, and the fact that it is seen to be independent of the Government and all other pressure groups? Will he reassure me, as he tried to reassure us a few moments ago, that tomorrow's White Paper will reinforce that reputation, and that it will be plain on the face of it that there is no threat to the BBC?

Mr Whittingdale: I agree with my right hon. and learned Friend. I have always made it clear that editorial independence is an incredibly important principle and that we will do nothing to undermine it. Indeed, I hope that, when he sees the White Paper tomorrow, he will find that we have done our best to strengthen it in some areas.

John Nicolson (East Dunbartonshire) (SNP): Members on both sides of the House wait with some trepidation for the publication tomorrow of the White Paper on the future of the BBC, but the Government should be in no doubt about the support for editorially independent public service broadcasting throughout the United Kingdom.

There often seems to be something of a gulf between some of the whackier notions floated by the Government via the press and broadcasting reality. One of the most bizarre must surely be the idea that the BBC should desist from broadcasting popular programmes at the same time that ITV broadcasts popular programmes—presumably, the BBC should show only dull, unpopular programmes at those times. There are reports that that remains a sticking point between the Government and the director-general. Will the Secretary of State reassure us that there is no truth in that absurd suggestion?

Mr Whittingdale: Yes.

Jesse Norman (Hereford and South Herefordshire) (Con): I and my Committee—the Culture, Media and Sport Committee—were concerned earlier this year that the process of releasing the White Paper might be delayed by the volume of responses that the Secretary of State has received, and I congratulate him on publishing it tomorrow. As he and the House will know, my Committee made several serious recommendations on governance, many of which were picked up by the Clementi committee and developed. Will the Secretary of State reassure me that the selection process for the crucial role of the chair of the new unitary board will be as wide ranging, robust and independent as possible?

Mr Whittingdale: I am grateful to my hon. Friend—he is right that it has taken a considerable time to go through all the consultation responses. We have had valuable recommendations both from his Committee and from the Committee in the other House. It was always the case that we would try to make the statement as soon as possible, and when the House is sitting. I am delighted that we are in a position to do so tomorrow.

My hon. Friend will see what we suggest on appointments to the new BBC board, if that is the recommendation in the White Paper. I will be happy to talk to him about it further once the White Paper has been published.

Mr Ben Bradshaw (Exeter) (Lab): The pre-briefing, from wherever it came in the Government, to the BBC-hostile press has not helped the Secretary of State's cause. If the White Paper published tomorrow follows the recommendations of the excellent Select Committee report published last year—he chaired the Committee at the time and signed up to the report—I will support it. However, if there is any suggestion whatever of anything that intrudes on the BBC's independence, he will have the fight of his life on his hands.

Mr Speaker: The right hon. Gentleman is asking the Secretary of State whether he agrees with himself.

Mr Whittingdale: I share the right hon. Gentleman's view that the report issued by the Select Committee last year was excellent—he played a very important role in framing the conclusions—but I repeat what I said: I am committed to the editorial independence of the BBC, and I hope that, when he looks at the White Paper, he finds the reassurance he seeks.

Damian Green (Ashford) (Con): Earlier this week, the Prime Minister described the BBC as one of the most recognised brands on the planet—it is indeed. It is also one of the British institutions recognised worldwide as a great achievement of this country and great advert for it. It is clear from Members on both sides of the House that one key reason for that long-term success is the BBC's independence. Will my right hon. Friend the Secretary of State assure us that nothing in the appointments system or the board system in the White Paper exposes the BBC to greater direct interference from any Government, because that would be a hugely retrograde step?

Mr Whittingdale: I am repeating this but I absolutely agree with my right hon. Friend about the importance of editorial independence. On the appointments process, he will be aware that BBC Trust members were entirely appointed by the Government, as were BBC governors before them. However, the BBC board is a different beast, and I hope he will find that we have taken steps to ensure that BBC independence is beyond doubt.

Mary Creagh (Wakefield) (Lab): Parents throughout the country value the BBC's children's channels, CBeebies and CBBC, because they are free from adverts for low-cost loans from Wonga and expensive toys. Like the NHS, the BBC is a world-class institution and the envy of other nations. If it is not broken, the Secretary of State must not fix it.

Mr Whittingdale: I share the hon. Lady's admiration for the programming that the BBC produces for children, particularly given that most of the commercial sector has withdrawn from children's programming. I consider that to be a very important part of the BBC's public service role, and I hope she finds measures in the White Paper that she is able to welcome.

Michael Fabricant (Lichfield) (Con): I doubt whether any hon. Member on either side of the House is not a major supporter of the BBC, but as someone who

[*Michael Fabricant*]

served on the National Heritage Committee and the Culture, Media and Sport Committee for many years, and as someone who worked for the BBC, I find some of the points made by the hon. Member for Garston and Halewood (Maria Eagle) a bit rich. I remember some of the appointments made to the board of governors by Tony Blair. She commented on the suggestion that the BBC should be showing programmes that are different from those shown by ITV and not competing, but that point was made by Chris Smith when he was Culture, Media and Sport Secretary in Tony Blair's Government.

Mr Whittingdale: I am extremely grateful to my hon. Friend for those observations, which were well made. I hope he comes along and makes some more tomorrow.

Mr Speaker: The hon. Gentleman will not require much encouragement if experience is anything by which to judge.

Hywel Williams (Arfon) (PC): S4C provides popular programming in Welsh—in fact, it is as popular as possible—and is largely funded by the BBC. Is the Secretary of State concerned that his proposals as reported widely in Wales are likely to hamper S4C's ability to fulfil that unique prime function?

Mr Whittingdale: I am concerned if those reports are circulating in Wales, but I hope there will be reassurance tomorrow. I was pleased to have the opportunity to visit S4C just a few weeks ago and I share the hon. Gentleman's regard for its programming. He will be aware that we have announced that we will be reviewing S4C once we have completed the BBC charter review. That, too, will be with the aim of seeing how we can strengthen and sustain it.

Sir Peter Bottomley (Worthing West) (Con): My hon. Friend the Member for Lichfield (Michael Fabricant) referred to his past. In 1957, when T S Eliot and Laurence Olivier formed the Third Programme Defence Society, I was a 12-year-old who put stamps on the communications. Trusting in the Government to bring forward a decent White Paper, I ask the Secretary of State to clarify when Channel 4 might come up for review.

Mr Whittingdale: My hon. Friend is right that a number of issues are on our agenda. The BBC's charter was the first and most important priority, not least because it runs out at the end of the year. Channel 4 is an area that we are looking at again to establish whether it can be strengthened in the delivery of its public service remit. I am keen to make public our conclusions as soon as possible.

Mr David Lammy (Tottenham) (Lab): I have heard what the Secretary of State has had to say about the BBC's independence, but does he recognise that there is just one ethnic minority member on the current board and that it would be a great travesty if the same old people in the same old Westminster village occupy the same old roles?

Mr Whittingdale: I am sympathetic to those comments. Arrangements for appointments to the board will be made clear tomorrow, but the importance of diversity is central to the White Paper and it applies to those who work for the BBC, those who appear on BBC programmes and indeed those who watch them.

Philip Davies (Shipley) (Con): Following the lefty-lovey hysteria at the weekend, does my right hon. Friend agree that scrapping the discredited BBC Trust, asking for more transparency in a publicly funded organisation and wanting the BBC to be distinctive and impartial is hardly the end of public service broadcasting as we know it?

Mr Whittingdale: I am grateful to my hon. Friend, and I think he will find that our proposals certainly do not represent the end of public service broadcasting. Indeed, I hope it will be felt that they strengthen public service broadcasting. I look forward to my hon. Friend's contribution tomorrow.

Ian Austin (Dudley North) (Lab): There is no doubt about the level of public support for the BBC's independence, impartiality and fairness. At a time when it is being undermined by its competitors and attacked by the hard right of the Conservative party, as we have just heard, and of course by the bitter practitioners of the new and kinder politics on the hard left, not to mention the crazed conspiracy theorists in the SNP north of the border and UKIP in England, is it not really important for mainstream politicians to stand up for the BBC's right to do its job and defend its staff from the terrible bullying that we have recently seen?

Mr Whittingdale: I sometimes sympathise with the BBC when it comes to maintaining impartiality at a time when there are so many diverse views, making it increasingly hard to strike the balance between them. Impartiality and objectivity are nevertheless absolutely the cornerstone of the BBC's reputation, and I hope that that will always continue to be the case.

Damian Collins (Folkestone and Hythe) (Con): Does the Secretary of State agree that the period of charter renewal is a good time to consider what the BBC can do better in the future, even though it is a much-loved national institution, given that this is recognised by the BBC itself and there is widespread concern about the need for reform of the BBC's governance?

Mr Whittingdale: I completely agree with my hon. Friend, who has contributed to the excellent Select Committee report on this matter. I hope that he finds that our White Paper proposals take account of it. They are intended to strengthen the BBC and ensure that it performs better in the areas where it might not have fulfilled its potential to date.

Alison Thewliss (Glasgow Central) (SNP): I am proud to host the BBC's Scotland headquarters at Pacific Quay in my constituency. It is a great facility, providing many jobs within the city of Glasgow and more widely, with lots of production companies also using the facilities there. I want to ask specifically about BBC Alba. Its present schedule provides for 73% repeats and it is able to produce only 4.4 hours of original output a week.

BBC Alba's ask for the charter renewal is to be able to produce 10 hours a week. It is a modest request to the Government, and I very much hope that the Secretary of State will be able to take it into account. The channel has grown a great deal, reaching 700,000 people a week, but it needs extra support to grow its audience further.

Mr Whittingdale: I had a useful meeting with the chairman and chief executive of MG Alba not long ago. I agree with the hon. Lady that they do an excellent job in broadcasting Gaelic. The Government remain committed to that, but the hon. Lady will need to wait until tomorrow. We certainly recognise the importance of what she says, but the funding is to some extent a matter for the BBC.

Dr Sarah Wollaston (Totnes) (Con): I welcome the Secretary of State's words of reassurance on editorial independence. Will he also provide reassurance on regional broadcasting and its continuing importance for the BBC?

Mr Whittingdale: I very much agree with my hon. Friend about the importance of BBC regional and local broadcasting. When it comes to BBC local radio in particular, it is difficult to imagine that the commercial sector would ever provide the sort of news broadcasting and local community information that the BBC provides. This is certainly one of the BBC's strengths, which I hope to see continue and strengthen even further in the future.

Ms Margaret Ritchie (South Down) (SDLP): As part of the ongoing review and as we await tomorrow's response to the consultation, will the Secretary of State confirm—it is important for regional broadcasting—that collaboration between BBC Northern Ireland and Irish broadcaster RTÉ will continue?

Mr Whittingdale: Again, I do not want to pre-empt the White Paper. That sort of issue is very much one for the BBC, but we very much support the general importance of the BBC working in partnership and collaboration with other broadcasting organisations.

David Rutley (Macclesfield) (Con): In common with most Members, I fully respect the production values of the BBC. Does my right hon. Friend agree, though, that it is only proper to ask the BBC to review its governance arrangements and ensure that it continues to have a distinctive approach in the face of a fast-changing digital world?

Mr Whittingdale: My hon. Friend is right on both counts. There is, I think, universal agreement that the existing governance structure has not proved to be sufficiently effective, so there is a need for a new system of governance. My hon. Friend also rightly makes the point that we live in an extraordinarily fast-changing media landscape, in which people are changing the way they consume television. If we compare that with the position 10 years ago, we find the current landscape transformed—and it is likely that the pace of change will continue. That is why the BBC needs to be adaptable and ready for that future.

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Secretary of State assure us that he will not listen to all the hard-line cranks and the obsessive detractors of the BBC who are always knocking this important institution, much loved and much valued by mainstream Britain? The BBC actually raises the standard and the quality of output from its competitors, so hobbling the BBC will do nothing but reduce that quality.

Mr Whittingdale: I have no wish to hobble the BBC. We have sought to listen to all the views expressed and to take account of them. All I can do now is invite the hon. Gentleman to come to the House tomorrow so that he can hear what we have proposed.

Jason McCartney (Colne Valley) (Con): With wonderful BBC dramas such as "Happy Valley" and "Peaky Blinders" being filmed in my beautiful part of Yorkshire, will the Secretary of State assure me that the White Paper will enhance support and encourage yet more BBC TV production in the regions?

Mr Whittingdale: I was fortunate enough to be able to visit the set of "Peaky Blinders" recently, although they were filming in Liverpool rather than in my hon. Friend's constituency. This provides a very good example of fine and popular BBC drama—exactly the sort of thing at which the BBC excels—and I hope that it will continue to produce such programmes for a long time.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): The people of Wales are true to the BBC, but the stories of their lives are progressively going untold. Will the Secretary of State commit to increase the hours of English language broadcasting made both in Wales and for Wales?

Mr Whittingdale: The importance of serving the needs of all the nations and regions of the United Kingdom is central to the BBC, and, indeed, plays a major part in our White Paper. Precisely how that is done is largely a matter for the BBC itself, but, as the hon. Lady will see, we will have a little more to say about it tomorrow.

Mr Robin Walker (Worcester) (Con): I thank the Secretary of State for his words of reassurance, and particularly for what he said to my hon. Friend the Member for Totnes (Dr Wollaston) about local radio. In the last Parliament, I led a very oversubscribed Westminster Hall debate opposing cuts to BBC local radio services. Even the BBC Trust seemed surprised at the strength of cross-party feeling in support of local radio. I look forward to my right hon. Friend's statement tomorrow, but what more can he tell us about the importance of local radio?

Mr Whittingdale: I entirely agree with my hon. Friend. Local radio performs an extremely valuable function, particularly when there are crises such as the flooding that occurred in the north of England. During the flooding, it was essential that people were able to obtain information about how they could receive help and what the scale of the problem was, and BBC local radio played a critical part in providing that information. I am therefore a great supporter of BBC local radio. As for the allocation of the budget, that is largely a matter for the BBC. We do not tell the BBC how to divide up

[Mr Whittingdale]

the funds that are available to it. However, I hope that it will continue to give local radio the priority that it deserves.

Barry Gardiner (Brent North) (Lab): I speak as one of the old lefty luvvies who were adverted to earlier. We were under the impression that last July the Secretary of State had reached an agreement with the BBC that there would be no top-slicing of the licence fee. Will he tell us whether that agreement still holds?

Mr Whittingdale: I can tell the hon. Gentleman that the agreement that we reached with the BBC last July stands, and nothing in the White Paper will change that.

Nigel Huddleston (Mid Worcestershire) (Con): Does the Secretary of State agree that, given its clear remit to educate, entertain and inform the British public, the BBC plays a pivotal role in British society, and does he agree that, as the way in which we consume education, entertainment and information evolves and changes, so must the BBC? Is that not what the White Paper is all about?

Mr Whittingdale: I do agree with my hon. Friend. As I said earlier, the pace of technological change is very rapid. The way in which people consume television today is very different from what it was 10 years ago, but I have absolutely no doubt that by the time the charter is next renewed, it will have changed still further. Of course the BBC must take account of that, as must every other broadcaster.

Susan Elan Jones (Clwyd South) (Lab): As the Secretary of State may know, S4C is the only television channel in the United Kingdom that broadcasts in Welsh, and its continued existence is very important. Will its future funding and governance be considered as part of the charter renewal process, or will those issues be stuck in the long grass, with just a few little words said about them afterwards?

Mr Whittingdale: I agree that S4C makes a valuable contribution to the broadcasting landscape. It is appreciated throughout Wales and in other parts of the UK, and I believe that it has a considerable audience in Patagonia. As I said earlier, once the charter has been renewed we will conduct a further review of S4C which will cover all aspects, including its governance, its remit and, indeed, its funding.

Robert Jenrick (Newark) (Con): There is no existential threat to the BBC. This debate has been characterised by the sort of hype that we have heard today, particularly from the left. Does my right hon. Friend agree that in return for a guaranteed £4 billion a year, plus BBC Worldwide, it is perfectly reasonable for the British public to expect a bit of belt-tightening, more accountability than the BBC Trust currently offers, a little injection of entrepreneurship, and, above all, a return to some of the even-handedness that characterised the first 40 years of the BBC?

Mr Whittingdale: I do agree with my hon. Friend. The BBC is privileged to receive £3.7 billion of licence fee funding, and, indeed, additional income. Obviously it is important that that money is spent wisely, that we seek to improve efficiency wherever possible, and

that we also seek greater transparency in respect of the way in which the money is spent. All those things are priorities for us, and we will be addressing them tomorrow.

Steve McCabe (Birmingham, Selly Oak) (Lab): There is obviously a feeling that the Secretary of State should not seek to exert undue influence in the wrong direction when it comes to the future of the BBC, but may I suggest that intervention would be welcome in one context—that is, were he to advise that the people of the midlands should be given a much fairer and more equitable share of the return from the licence contributions that they make?

Mr Whittingdale: I am aware of the strength of feeling about the matter in the midlands in particular, and I know that my hon. Friend the Minister for Culture and the Digital Economy responded to a Westminster Hall debate about it. Again, this is largely up to the BBC, but we feel strongly about the importance of ensuring that the BBC serves all nations and regions of the United Kingdom, as we will make clear in the White Paper.

Huw Merriman (Bexhill and Battle) (Con): Having debated the future of the BBC a few days ago on the radio with my hon. Friend the Member for Shipley (Philip Davies), I yield to none in my willingness to go the extra mile in support of it—and I hope I am not one of the lefty luvvies to whom my hon. Friend referred. I thank the Secretary of State for meeting me to listen to some of my concerns. Given that I am now reassured, does he agree that it might have been better for Opposition Members to wait 24 hours so that they could be educated and informed in the same way?

Mr Whittingdale: I very much agree with my hon. Friend. I was happy to be able to discuss some of his concerns with him and, I hope, to set his mind at rest, and I shall be happy to do the same for any other Members who have concerns. I would suggest to them, however, that it would be sensible to wait until they have seen what we actually propose, rather than some of the somewhat wild speculation that has appeared in the newspapers.

Mr Gregory Campbell (East Londonderry) (DUP): Virtually everyone agrees that the retention of a high-quality, independent public sector broadcaster is essential. Does the Secretary of State agree, however, that one aspect of the £3.7 billion budget to which he has alluded is that it comes from the public purse, and does he also agree that greater transparency should be at the very top of both the BBC's agenda and the agenda that he will announce tomorrow?

Mr Whittingdale: I agree with both those points, and they will be on the agenda tomorrow.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I was, once upon a time, a messenger at the BBC, so I know my way around Broadcasting House very slightly.

May I add to the argument for greater transparency by suggesting that we should have some understanding of how much senior managers in the BBC are being paid? My local journalists down in Devon would certainly be interested in learning about that.

Mr Whittingdale: I agree that transparency is very important, especially when public money is involved. Obviously, over a certain level, information about the remuneration packages of Members of Parliament, and, indeed, those of people who work for the Government throughout the public sector, is made public. The BBC already publishes the figures for its senior management, but I share my hon. Friend's wish for there to be as much transparency as possible.

Richard Burden (Birmingham, Northfield) (Lab): The Secretary of State has said that he recognises the importance of the BBC's reflecting the geographical diversity of the regions of the United Kingdom, and, indeed, recognises the anger that exists in the midlands about the fact that BBC has not provided fair shares in that region, either in terms of investment or in terms of its operation and breadth of operation. I realise that he cannot say precisely what will be in the White Paper tomorrow, but can he tell us today what his approach will be in trying to influence those factors? May I also suggest that there is a job of work that can be done at Channel 4 to ensure that it has a greater geographical reach? Moving its headquarters to Birmingham might be a step in the right direction.

Mr Whittingdale: Obviously I cannot tell the hon. Gentleman today what will be in the White Paper that we are publishing tomorrow. Moreover, as I said earlier, some of those questions are for the BBC rather than the Government to determine. However, I reiterate that the need for broadcasters to serve all the nations and regions is a very important criterion, which we will be stressing to the BBC. I also hear what the hon. Gentleman says about Channel 4.

Helen Goodman (Bishop Auckland) (Lab): The cuts to local authority funding have created a crisis in the availability of regional arts and culture. In the BBC, however, we have a national institution that enables people to have access to the best, irrespective of where they live or what they earn. Does not the Secretary of State understand that by chipping away at the independence and the finances of the BBC, he is increasing unequal access, and that that is why he has created such a big backlash?

Mr Whittingdale: I hope that the hon. Lady will wait until the publication of the White Paper tomorrow before she makes any comment about the independence of the funding. I agree with her about the important role that the BBC plays in supporting the creative sector and the arts in this country, and that is something that I want to see continue.

Tom Brake (Carshalton and Wallington) (LD): Does the Secretary of State recognise that the BBC is internationally renowned for its independence and its quality programmes that entertain, inform and challenge? Does he also understand that any attempts by the

Government to play the fat controller by, for instance, packing the board, interfering with programme scheduling or top-slicing the licence fee would risk inflicting severe damage on the BBC's reputation?

Mr Whittingdale: I can assure the right hon. Gentleman that I have no ambition to become the fat controller.

Mr Speaker: It is always useful to have a bit of information.

Diana Johnson (Kingston upon Hull North) (Lab): I was pleased to hear the Secretary of State refer to the important role of regional radio. I want to highlight the role played by James Hoggarth, who broadcast for eight hours straight from Radio Humberside when the BBC studio in York was flooded in December, providing a vital public service and emergency information. I very much hope that the White Paper will contain references to the important emergency service that BBC local radio provides.

Mr Whittingdale: I very much agree. As I indicated to my hon. Friend the Member for Worcester (Mr Walker) earlier, BBC local radio performs a valuable service at all times, but it comes into its own at a time of crisis in one particular part of our country or another. At such times, it is possibly the only source of news and information for the people who are affected.

Peter Kyle (Hove) (Lab): Like my hon. Friend the Member for Kingston upon Hull North (Diana Johnson), my constituents are deeply concerned about local and regional news provision. Can the Secretary of State assure us that tomorrow's White Paper will not impinge on the independence or the resources of local news provision?

Mr Whittingdale: I say again that I will not reveal the contents of the White Paper, but I can assure the hon. Gentleman that I do not think he has any cause for concern.

Andrew Gwynne (Denton and Reddish) (Lab): It is a testimony to the quality of the BBC's programming that BBC Worldwide brought in £226.5 million of funds to the BBC last year. That is the equivalent of £10 for each licence fee payer. Can the Secretary of State convey to the House of Commons that he has no intention of selling off any aspect of the BBC's commercial arm?

Mr Whittingdale: Again, I invite the hon. Gentleman to read what we actually say about this in the White Paper tomorrow. Where I agree with him is that the BBC does have an extremely valuable asset and that it should exploit that in order to maximise the return and reduce the pressure on the licence fee.

Housing and Planning Bill

Consideration of Lords message

Mr Speaker: I draw the attention of the House to the fact that financial privilege is engaged by Lords amendment 47E. I must also inform the House that the motion relating to Lords amendment 47E is certified as relating exclusively to England. If the House divides on the certified motion, a double majority will be required for the motion to be passed. I call the Minister to move to disagree with Lords amendment 47E.

Clause 72

REDUCTION OF PAYMENT BY AGREEMENT

1.24 pm

The Minister for Housing and Planning (Brandon Lewis): I beg to move, That this House disagrees with the Lords in their amendment 47E.

I should also like to inform the House that I am placing in the House Library today the Department's analysis on the application of Standing Order 830 in respect of the Lords amendment to the Housing and Planning Bill. Yet again, we are here to defend our Bill and to make it clear that it delivers on our manifesto. I thank the other place for not continuing their opposition to starter homes, but this is the third time we have had to vote to confirm a key manifesto commitment, so I do not intend to detain the House for too long. I know that I do not have to remind the House of what we said in our manifesto, as I outlined those commitments last week and again earlier this week.

The Lords have scrutinised the Bill more than adequately, and I thank them for their efforts, but this is no longer scrutiny: this is a wrecking amendment. Enough is enough; it is time to stop. Mr Speaker, you have again certified that this amendment is financially privileged. As I set out earlier this week, it is contrary to convention for the House of Lords to send back an amendment in lieu that clearly invites the same response of financial privilege from this House. Yet on this issue it has chosen to do exactly that, not once but twice. A number of noble Lords rightly voiced their concern yesterday that the Lords were being invited to transgress constitutional proprieties, and I hope that this House will agree that this sort of behaviour risks calling into question the role of the second Chamber. The noble Lord Cormack eloquently said yesterday:

“The elected House...is the superior House when it comes to political power.”—[*Official Report, House of Lords*, 10 May 2016; Vol. 771, c. 1681.]

Lord Kerslake's amendment has two levels of problems. It would impact on our ability to work with local authorities to deliver the best, most cost-effective, deals for replacement housing, and that could reduce the funding for our manifesto commitment to deliver right-to-buy discounts for housing association tenants. We received a clear mandate for that at the general election. This matter now moves beyond the question of policy and into constitutional issues. I ask the House to send a clear message that it is time for their lordships to respect the will of this elected House and to respect our right to get on with delivering the commitments we made in our manifesto, which the British public backed, so that we can deliver the homes that our country needs.

Teresa Pearce (Erith and Thamesmead) (Lab): As we are all aware, the Government suffered a further defeat in the other place last night. As I said in our debate on Monday, after a string of defeats and concessions, some of the sharpest edges have been knocked off the Bill, but it remains an extraordinary and extreme piece of legislation, and a missed opportunity. Since 2010, homelessness and rough sleeping have more than doubled, house prices and private rents have risen dramatically and the housing benefit bill has ballooned, but the Bill does little to tackle those issues.

Lords amendments 47E seeks to put it beyond doubt that adequate funding would be available to local authorities to deliver at least one new affordable home for each higher-value property sold, and at least two in London. It gives local housing authorities the opportunity to demonstrate a need for social rented housing for the Secretary of State to consider. The Bill provides the statutory basis to extend the right to buy to housing association tenants paid for by a forced sale of council homes to the highest bidders, which could include buy-to-let landlords and overseas investors. Those homes have been paid for by our taxes and our parents' taxes. They are public assets, but they will be sold to whoever has the money to buy them, and that could well be buy-to-let landlords and overseas investors.

Questions and concerns have repeatedly been raised about this, and the report from the Public Accounts Committee clearly identified the impact on local authorities and the risks of a policy so lacking in financial clarity. Lord Kerslake said in the House of Lords yesterday evening:

“It has been argued previously that this is unnecessary, since Ministers have given a commitment. If that is the case, it ought not to be controversial.”—[*Official Report, House of Lords*, 10 May 2016; Vol. 771, c. 1687.]

If the Government do not accept this like-for-like replacement, they need to explain why; otherwise, it will be clear that this is no more than another raid on local authorities' finances, putting greater pressure on already-pressed local services. Shelter has calculated that, to deliver the estimated £4.5 billion of receipts identified by the Government, 23,500 vacant council properties a year will need to be sold. That is nearly a third of all vacant stock each year. Without a commitment in the Bill, there will be a huge loss of genuinely affordable homes as the Government sound the death knell for social housing. The Government have said that they are simply honouring their election manifesto, yet the relevant passage commits to a replacement, which is not in the Bill. The Bill and Government policy will make it near impossible for the delivery of new social rented and affordable rented housing as the new starter homes requirement will push social rented housing out of section 106 agreements.

The second part of the amendment seeks to give local authorities the opportunity to make a case, given local need, to replace a social rented home with another social rented home—if a local authority decides not to make such a case, that is fine, but if it wants to go for a different mix of affordable housing options, it can. The amendment would provide authorities with greater flexibility and expand opportunities for affordable housing. I had hoped that the Government would welcome that, but they insist on limiting new affordable homes to a restricted product aimed at one particular part of the housing

crisis. If we are serious about fixing the housing crisis and if the Government are serious about encouraging people on to the housing ladder, they must consider all forms of tenure.

1.30 pm

The Government were forced to make a string of concessions in the House of Lords and were defeated multiple times, showing the extent of the opposition to the Bill. It does nothing to fix the causes of the past six years of failure, sounds the death knell for social housing and will be a big let-down for people who are desperate for a home. While there are many things in the Bill with which we disagree, amendment 47E is an improvement and would put in the Bill the very thing that the Prime Minister confirmed is the Government's intention to my hon. Friend the Member for Westminster North (Ms Buck) just an hour ago. I hope that the Government will reconsider and accept the amendment.

Tom Brake (Carshalton and Wallington) (LD): I rise simply to say that I do not understand the Government's objections to the amendment. The press release that went out with the Conservative manifesto said:

"After funding replacement affordable housing on a one for one basis, the surplus proceeds will be used to fund the extension of right to buy".

That is exactly what the amendment would achieve. I also fail to understand what the Minister meant when he said that the proposal

"would also significantly reduce the funding available for the voluntary right to buy, again preventing this Government from fulfilling their manifesto commitment."—[*Official Report*, 9 May 2016; Vol. 609, c. 461.]

As I understand it, building costs are completely independent of the tenure, so I again fail to understand why the available money would be less than was previously the case. I hope that the Government will reconsider their decision at the eleventh hour and accept a perfectly sensible amendment from the House of Lords that does not contradict what the Conservatives put forward in their manifesto.

Helen Hayes (Dulwich and West Norwood) (Lab): I wish I could say that it is a pleasure to be here once again to debate the many flaws in the Housing and Planning Bill, but I am grateful to the noble Lords for being so robust in their scrutiny and response. The Government have talked much about the obstructive nature of the Lords in relation to the Bill, but the Lords are not being remotely obstructive or difficult. They are simply not convinced that the Government have done their work or that the Bill will deliver on the Government's manifesto commitment to one-for-one replacement. This is about a transparent and accountable legislative process that gives both Houses the confidence that there is any basis at all to believe that the Bill will deliver what the Government say it will.

Local authorities know their communities best. They undertake housing needs assessments and have statutory housing duties. They are democratically accountable to their local population. They know the mix of homes that is needed in their area. Nobody in the Opposition is saying that starter homes should not be a part of the mix; we want them to be part of a mix that is locally determined by councils that are democratically accountable

to their local communities, and we want one-for-one replacement before the proceeds from forced sales are spent on anything else.

The Government are once again rejecting sensible, pragmatic advice from the House of Lords. They are ideologically committed to a Bill that will make the housing crisis worse than it already is. I urge the Government to listen to the House of Lords in its further assertion and to accept the amendment it proposed.

Caroline Lucas (Brighton, Pavilion) (Green): The Minister has complained about the behaviour of the noble Lords, but I am extremely grateful that they are standing up for people in housing need across the country. I only wish that the Government would listen to them and to the vast numbers of people, both in this House and outside the building, who are campaigning hard and loud for a decent housing settlement.

The Government's refusal to accept the amendment has caused huge concern at local level. My constituency is facing a massive housing crisis, and another 10% rise in private sector rent is expected within a year. We desperately need more council homes, not fewer. It is vital that we get the replacement policy right in the Bill, or we risk seeing a reduction in genuinely affordable homes in the context of an already chronic social housing shortage. The Government have claimed that they are meeting their manifesto commitment to fund the replacement of council properties and to fund right to buy, but they are not. First, the money for replacement is not secure. Secondly, the offer of one-for-one replacement—two-for-one in London—is not the same as like-for-like replacement, which means the same tenure, the same affordable rent and the same area. The bottom line is that council housing assets should not be used to fund the right to buy for housing association tenants. In a housing crisis, we should not be adopting a top-down, blanket policy of forcing the sell-off of council assets.

The Chartered Institute of Housing concluded in its assessment of the policies that

"funds raised by high-value area sales will not fully cover the cost of local authority (LA) replacements and the cost of discounts under an extended right to buy"

and that funding the right to buy discounts

"could be achieved only at the cost of not building the replacement LA units".

In other words, under the Government's proposals, one can only be achieved at the expense of the other. The Government's intention is that local authorities fully fund the right to buy, yet Ministers have not released any figures to demonstrate that additional funding would not be needed from central Government. That has been raised time and again, both in this House and in the other place, yet we still do not know how the numbers will add up.

Rightly, much has been made of the Public Accounts Committee report on this subject. The Chair of the Committee, the hon. Member for Hackney South and Shoreditch (Meg Hillier), rightly said that

"there are no costings or workings out. We are not talking about a 'back of an envelope' calculation—there is no envelope at all."

The Government appear to be hedging their bets by not releasing an impact assessment and appear to have undertaken little or no consideration of how the proposal would be funded in practice. Lords amendment 47E has

[Caroline Lucas]

called them out. Ministers have estimated that they will get £4.5 billion of receipts from the forced sale of council homes. Shelter has calculated that 23,500 vacant council properties will need to be sold each year to deliver that figure. That equates to nearly a third of all vacant council stock and will leave those who rely on social housing with an even more minuscule chance of ever getting the secure council home they need. If Ministers were ever serious about replacing the council stock that they seek to flog off, it is surely only reasonable for the Government to take the precaution of ensuring, in legislation, that the funding will be there for local authorities to do so.

That prompts the question as to why the Government are digging their heels in. Why are they refusing to accept an amendment that simply seeks to secure their own manifesto commitment in the Bill? I fear the answer is that the proposal amounts to a tearing-down of the bricks and mortar of the welfare state: social housing. By objecting to amendment 47E, the Government are allowing council housing assets to be plundered to fund an ill-conceived attack on social housing, thereby pulling the rug from under those who need it most. That is why I hope that this House will continue to oppose the Government and will support the amendment from the other place.

Mr David Winnick (Walsall North) (Lab): It is most unfortunate that the Government are being so obstinate. They did the same over child refugees, but they gave way because of this House and the strength of feeling in the country as a whole, about which I am obviously pleased.

Interestingly, in all the years I have done this job, carrying out surgeries for nearly half a century, nobody has come to me to say that they wanted to be rehoused in the private sector, but plenty of private tenants have been dissatisfied with conditions and circumstances and have wanted to be rehoused by the local authority or the housing association, as the case is in my part of the world. If these people were in a position to buy, they would not be seeking social housing. The Government seem to forget, deliberately, the number of people in this country whose only hope of decent, adequate housing is if they can be rehoused by the local authority. Therefore, I regret all the more this obstinate attitude taken by the Government. I can assume only that it comes out of a bias towards the private sector, against social housing.

I have listened to what Labour colleagues who represent London constituencies have said. I do not, for one moment, suggest that the problem in Walsall is anywhere near the situation in these London boroughs, but enough people in my constituency have been waiting a considerable time to be rehoused. The reason for that is the acute shortage and long waiting list, and their only hope is to be rehoused, in due course, by the Walsall Housing Group. I hope that, even at this late hour, Ministers will understand the need for this Lords amendment to be accepted. As I said, it is regrettable that the Government have been so obstinate.

Question put. That this House disagrees with Lords amendment 47E.

The House proceeded to a Division.

Madam Deputy Speaker (Mrs Eleanor Laing): I must inform the House that the motion relates exclusively to England. A double majority is therefore required.

The House having divided: Ayes 292, Noes 197.

Votes cast by Members for constituencies in England: Ayes 275, Noes 177.

Division No. 269]

[1.41 pm

AYES

Adams, Nigel	Davies, Mims
Afriyie, Adam	Davis, rh Mr David
Aldous, Peter	Dinenage, Caroline
Allan, Lucy	Donaldson, rh Mr Jeffrey M.
Allen, Heidi	Donelan, Michelle
Amess, Sir David	Dorries, Nadine
Andrew, Stuart	Double, Steve
Ansell, Caroline	Dowden, Oliver
Argar, Edward	Drax, Richard
Atkins, Victoria	Drummond, Mrs Flick
Bacon, Mr Richard	Duddridge, James
Baker, Mr Steve	Duncan Smith, rh Mr Iain
Baldwin, Harriett	Dunne, Mr Philip
Barclay, Stephen	Ellis, Michael
Baron, Mr John	Ellison, Jane
Barwell, Gavin	Ellwood, Mr Tobias
Bebb, Guto	Elphicke, Charlie
Bellingham, Sir Henry	Eustice, George
Beresford, Sir Paul	Evans, Graham
Berry, Jake	Evans, Mr Nigel
Berry, James	Evennett, rh Mr David
Bingham, Andrew	Fabricant, Michael
Blackman, Bob	Fallon, rh Michael
Blunt, Crispin	Field, rh Mark
Boles, Nick	Foster, Kevin
Bone, Mr Peter	Fox, rh Dr Liam
Borwick, Victoria	Francois, rh Mr Mark
Bottomley, Sir Peter	Frazer, Lucy
Bradley, Karen	Freeman, George
Bridgen, Andrew	Freer, Mike
Brine, Steve	Fuller, Richard
Brokenshire, rh James	Fysh, Marcus
Bruce, Fiona	Gale, Sir Roger
Buckland, Robert	Garnier, Mark
Burns, Conor	Gauke, Mr David
Burns, rh Sir Simon	Ghani, Nusrat
Burrowes, Mr David	Gibb, Mr Nick
Burt, rh Alistair	Gillan, rh Mrs Cheryl
Cairns, rh Alun	Glen, John
Campbell, Mr Gregory	Goodwill, Mr Robert
Carmichael, Neil	Gove, rh Michael
Cartlidge, James	Graham, Richard
Cash, Sir William	Grant, Mrs Helen
Caulfield, Maria	Grayling, rh Chris
Chalk, Alex	Green, Chris
Chishti, Rehman	Green, rh Damian
Chope, Mr Christopher	Grieve, rh Mr Dominic
Churchill, Jo	Griffiths, Andrew
Clark, rh Greg	Gummer, Ben
Cleverly, James	Gyimah, Mr Sam
Clifton-Brown, Geoffrey	Halfon, rh Robert
Coffey, Dr Thérèse	Hall, Luke
Collins, Damian	Hammond, Stephen
Colville, Oliver	Hancock, rh Matthew
Costa, Alberto	Hands, rh Greg
Cox, Mr Geoffrey	Harper, rh Mr Mark
Crabb, rh Stephen	Harrington, Richard
Davies, Byron	Harris, Rebecca
Davies, Chris	Hart, Simon
Davies, Glyn	Haselhurst, rh Sir Alan
Davies, Dr James	Hayes, rh Mr John

Heald, Sir Oliver
 Heappey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Hopkins, Kris
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Kirby, Simon
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mordaunt, Penny
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David

Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Newton, Sarah
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Osborne, rh Mr George
 Parish, Neil
 Patel, rh Priti
 Pawsey, Mark
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Mr Desmond
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie

Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 White, Chris

Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggan, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
Guy Opperman and
Jackie Doyle-Price

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Allen, Mr Graham
 Anderson, Mr David
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Barron, rh Kevin
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Blenkinsop, Tom
 Blomfield, Paul
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brown, Lyn
 Brown, rh Mr Nicholas
 Buck, Ms Karen
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, rh Yvette
 Corbyn, rh Jeremy
 Cox, Jo
 Coyle, Neil
 Crausby, Mr David
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 Doughty, Stephen
 Dowd, Jim
 Dromey, Jack
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Efford, Clive
 Elliott, Julie
 Elmore, Chris
 Evans, Chris
 Farrelly, Paul
 Farron, Tim
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Furniss, Gill
 Gapes, Mike
 Gardiner, Barry
 Glindon, Mary
 Goodman, Helen
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hodge, rh Dame Margaret
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hopkins, Kelvin
 Howarth, rh Mr George
 Huq, Dr Rupa
 Hussain, Imran
 Johnson, Diana
 Jones, Gerald
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kinnock, Stephen
 Kyle, Peter
 Lammy, rh Mr David
 Lavery, Ian

Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 McCabe, Steve
 McCarthy, Kerry
 McDonnell, Dr Alasdair
 McDonnell, John
 McFadden, rh Mr Pat
 McGinn, Conor
 McInnes, Liz
 McKinnell, Catherine
 Miliband, rh Edward
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Murray, Ian
 Nandy, Lisa
 Onn, Melanie
 Onwurah, Chi
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Steve
 Rees, Christina
 Reeves, Rachel
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie

Ritchie, Ms Margaret
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sherriff, Paula
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Spellar, rh Mr John
 Starmar, Keir
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Stephen
 Vaz, rh Keith
 Vaz, Valerie
 West, Catherine
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Noes:
Vicky Foxcroft and
Jeff Smith

Armed Forces Bill: (Programme) (No.3)

Motion made, and Question put forthwith (Standing Order No. 83A(7)).

That the following provisions shall apply to the Armed Forces Bill for the purpose of supplementing the Orders of 15 October 2015 (Armed Forces Bill (Programme)) and 16 December 2015 (Armed Forces Bill (Programme) (No. 2)):

Consideration of Lords Amendments

(1) Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement at today's sitting.

Subsequent stages

(2) Any further Message from the Lords may be considered forthwith without any Question being put.

(3) The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—(*Kris Hopkins.*)

Question agreed to.

Question accordingly agreed to.

Lords amendment 47E disagreed to.

Ordered, That a Committee be appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendment 47E;

That Andrew Griffiths, Brandon Lewis, Seema Kennedy, Grahame M Morris, Teresa Pearce and Julian Smith be members of the Committee;

That Brandon Lewis be the Chair of the Committee;

That three be the quorum of the Committee;

That the Committee do withdraw immediately.—(*Julian Smith.*)

Committee to withdraw immediately; reasons to be reported and communicated to the Lords.

Armed Forces Bill

Consideration of Lords amendments

Madam Deputy Speaker (Mrs Eleanor Laing): I must draw the House's attention to the fact that financial privilege is engaged by Lords amendments 1 and 2. If the House agrees them, Mr Speaker will ensure that the appropriate entry is made in the *Journal*.

Clause 10

REVIEW OF SENTENCE FOLLOWING OFFER OF ASSISTANCE

1.57 pm

The Minister for the Armed Forces (Penny Mordaunt): I beg to move, That this House agrees with Lords amendment 1.

Madam Deputy Speaker: With this it will be convenient to consider Lords amendment 2.

Penny Mordaunt: I intend to be brief, Madam Deputy Speaker, as this is not a contentious issue.

I hope you, Madam Deputy Speaker, will allow me briefly to update the House. Our team in the Invictus games so far has a medal total of 89, 55 of which were won on the first day of the competition. One of our chief cheerleaders is my hon. Friend the Minister for Defence Personnel and Veterans, who has taken through this Bill. I am afraid that the House will have to make do with me today.

I am pleased to welcome the Armed Forces Bill back to the House to consider amendments made in the other place. These two amendments deal with a matter raised by the Delegated Powers and Regulatory Reform Committee in its 21st report—the regulation-making powers in new sections 304D(10) and 304E(9), which are inserted into the Armed Forces Act 2006 by clauses 10 and 11. The powers allow regulations to be made in relation to appeals against reviews of sentence.

Clauses 10 and 11 are part of the statutory framework that the Bill creates for offenders who co-operate with investigations and prosecutions. That framework closely follows the provision in the Serious Organised Crime and Police Act 2005, which applies to the civilian criminal justice system. It includes provisions that allow a person to receive a reduced sentence in return for assisting or offering to assist an investigator or prosecutor. A decision of the court martial on such reviews may be appealed by the person who is sentenced or the director of service prosecutions. The Lords amendments make provision with respect to such appeals.

The Bill does not set out the detailed rules that will apply to the conduct of proceedings on such appeals. Instead, new sections 304D and 304E of the 2006 Act provide for those rules to be set out in regulations made by the Secretary of State. The rules will be based on existing rules in the Courts-Martial (Appeals) Act 1968 that govern the conduct of appeals from the court martial to the court martial appeal court or the Supreme Court.

Accordingly, the Bill confers powers on the Secretary of State to make regulations in relation to appeals against reviews of sentence that contain

“provision corresponding to any provision in Parts 2 to 4 of the Court Martial Appeals Act 1968, with or without modifications.”

That is provided for in new sections 304D(10) and 304E(9). Such regulations would be subject to the negative procedure.

The Delegated Powers and Regulatory Reform Committee was content with that, subject to one point of concern. The Committee noted in its report that the 1968 Act includes some provisions that may be modified by the Lord Chancellor by regulations subject to the affirmative procedure. The relevant provisions in the 1968 Act are in sections 31A, 33, 33A, 46A and 47. They relate to the recovery of costs and expenses arising from appeal proceedings. The Committee's concern is that the new regulation-making powers in new sections 304D(10) and 304E(9), which are subject to the negative procedure, could be used to make provision about the recovery of costs and expenses which, if made under the 1968 Act in relation to appeals covered by that Act, would have to be made by affirmative procedure regulations.

The Government therefore submitted amendments in the other place to clauses 10 and 11 to limit the powers in the sections of the Armed Forces Act 2006 under which regulations may be made about appeals. The effect of the amendments is twofold. First, regulations under those sections may not make provision corresponding to that which the Lord Chancellor may include in regulations under the 1968 Act. Secondly, regulations under those sections may confer regulation-making powers corresponding to those in the 1968 Act, but only if the exercise of the powers conferred is subject to the affirmative procedure, like the powers of the Lord Chancellor. The amendments address the concerns of the Delegated Powers and Regulatory Reform Committee.

Although I note that the amendments have been designated as engaging financial privilege, we do not expect any significant Government expenditure to arise from the use of the regulation-making powers. I therefore hope that hon. Members will support the amendments, which were accepted on all sides of the House of Lords without Division. I commend them to the House.

Toby Perkins (Chesterfield) (Lab): I thank the Minister for updating the House on the impressive medal haul for our Invictus games team: long may their successes continue.

Like the Minister, I do not intend to detain the House unduly, as there is considerable consensus in this area, but I want briefly to record our support for the Lords amendments to the Armed Forces Bill. It is always pleasing and reassuring when we reach consensus not only on both sides of this House, but with the other place, particularly when dealing with such important matters as the welfare of our armed forces personnel. The safety and security of our nation rely on the commitment, courage and patriotism of our armed forces personnel. We owe them a considerable debt of gratitude. It is only right that we continue to update the law to ensure that we protect their safety, security and well-being, as we look to them to protect our own.

[Toby Perkins]

We are therefore pleased to support Lords amendments 1 and 2. The amendments are technical in nature and will limit the regulation-making powers in new sections 304D and 304E of the 2006 Act in respect of the recognition of assistance by courts martial in sentencing, which the Minister went into in a little more detail.

We welcome the commitments that the Government made on Report to publish data relating to sexual assault in the armed forces in a clear format; conduct an independent review into the implications of, and potential benefits of, the removal of commanding officer discretion to investigate sexual assault; and review the compensation levels paid to injured service personnel, particularly the most seriously injured and those who suffer mental ill health. Although the Opposition originally called for those measures to be included in the Bill, we are very pleased that the Government are prepared to make the concessions outside the statutory framework. I commend my colleagues in the other place, particularly the noble Lords Touhig and Tunnicliffe, for continuing to push for those concessions.

We are therefore pleased to support the Lords amendments.

Jim Shannon (Strangford) (DUP): I thank the Minister for her speech today on the conclusion of our consideration of the Bill. I thank her for the leadership she has provided and thank all those who have supported the Bill. We very much appreciate the House's commitment and dedication to our soldiers, sailors and airmen.

I will make one quick point and do not intend to delay the House. It is gratifying to see that the centrality of the role of the commanding officer is still recognised in the Bill. That they are being offered assistance and legal clarification through the Lords amendments should be welcomed by everyone in this House. However, we must never lose sight of the fact the relationship between soldiers, sailors and airmen and their commanding officers must remain sacrosanct and must not be eroded by litigious shifts towards independent judicial oversight. I appreciate that the Minister has included that in her amendments.

We must continue to trust the men and women who are in command of their units in peacetime and on operations. That lies at the heart of the bond between them and the service personnel under their command, whether aboard their ships, in their regiments or on their air stations. We tinker with that at our peril. I thank the Minister for her commitment.

Kirsten Oswald (East Renfrewshire) (SNP): I join the Minister in congratulating those who are participating in the Invictus games.

The SNP has a strong focus on supporting the work of the service personnel who make up our armed forces. We have made constructive and positive progress in Committee and in the Chamber. It is important that we use every available opportunity to examine and assess both the structures and the outcomes for members of our armed services.

We were pleased about the Government's concession in the other place last month, when they agreed to a review to consider removing the discretion of the commanding officer to investigate allegations of sexual assault. The accuser and the accused would both benefit from any added transparency in such challenging situations.

The SNP supports Lords amendment 1. There was significant discussion in Committee about the most appropriate way to modernise the mechanics that lie behind the matters that are dealt with in clause 10, namely the review of a sentence following an offer of assistance. A person who has been sentenced by court martial may have their sentence reviewed to take account of assistance they have given or offered. The reviewing court may reduce the sentence in return for the offer of assistance. Additionally, subsection (8) allows a person whose sentence is reviewed to appeal against a court martial decision. The director of service prosecutions may also appeal against the decision. It is appropriate that fairness, transparency and good practice are central to service discipline proposals. Clause 10 appears to be a positive move in that regard.

In addition, we support Lords amendment 2, which relates to the provision that allows a sentence to be reviewed to take account of the failure by a person who has been sentenced to give the assistance that they had offered to an investigator or prosecutor in return for a discounted sentence. Again, clause 11 reflects the importance of additional transparency and clarity for service personnel, which we welcome.

We have a duty of care to our service personnel under the armed forces covenant, so it is vital that all measures relating to service justice are dealt with in terms of continual improvement, fairness and transparency. In relation to transparency and positive progress, it is worth noting that the SNP supports the Government's promise that statistics on sexual assault and rape will be published before the summer recess. That is a topic to which I have returned several times in Committee and in the Chamber. It is vital that the statistics are published regularly in a consistent format and that the reporting includes all appropriate metrics, so that there is an opportunity to scrutinise the information properly and assess progress. If we do not have the regular opportunity to examine these statistics fully and consistently, many of the fine words spoken in this place are in the end simply words. I am encouraged that the publication of these statistics suggests that we appear to be making a positive step in the right direction towards greater transparency in service justice.

Lords amendment 1 agreed to, with Commons financial privileges waived.

Lords amendment 2 agreed to, with Commons financial privileges waived.

SITTINGS OF THE HOUSE (TODAY)

Ordered,

That, at today's sitting, the Speaker shall not adjourn the House until any message from the Lords has been received and any Committee to draw up Reasons which has been appointed at that sitting has reported.—(*Dr Thérèse Coffey.*)

Backbench Business

Pensions Up-rating (UK Pensioners Living Overseas)

2.10 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): I beg to move,

That this House notes with concern that the pensions of 550,000 UK pensioners residing in a number of overseas countries will no longer be up-rated; is further concerned that this unfairness will lead to hardship for overseas pensioners and that this measure will discourage many UK citizens living in the UK from returning to their country of origin as many wish to do in their retirement; regrets that the Government has taken this action which will lead to loneliness and anger among UK pensioners living abroad; and calls on the Government to withdraw this measure and pay UK pensioners at home and abroad their due state pension with the same up-rating adjustment in the interests of fairness and equity.

I am grateful to the Backbench Business Committee for granting this debate.

I tabled early-day motion 1235 praying that the up-rating regulations, which deny 550,000 of our pensioners their full pension entitlement, be annulled. That motion had the support of 97 Members from eight parties, including the Government party, as well as independent Members. This matter has cross-party support, and I hope that today the Government will reflect on the injustice that many face and the strength of that cross-party support.

The policy of not awarding increases has been followed by successive Governments and continues with the introduction of the new state pension that was introduced this April. People's rights to their full UK pension are determined by the country they live in. There are 640,000 UK pensioners living in overseas countries where the UK meets its full obligation, but sadly there are 550,000 pensioners living in countries where annual up-rating does not take place and pensions are frozen.

Sir Peter Bottomley (Worthing West) (Con): For the benefit of those who pick up the beginning of this debate and do not necessarily stay for the details at the end, does the hon. Gentleman agree that nobody intended this injustice to start? It started because in the 1950s there was no provision for up-rating. Other countries introduced up-rating, and no one bothered to say, "This is crazy".

Ian Blackford: I thank the hon. Gentleman for that intervention. I agree that an anomaly exists. There is no logic whereby pensioners living in the US, for example, can benefit from their pension, but those in Canada cannot. It is a question of justice. That is why I am asking all Members across the House to unite on a matter that should concern us all. It is about doing the right thing, and I hope that today the Minister and the Government will respond correctly.

The pensions legislation provided for the additional state pension to be up-rated at least in line with earnings. It also provided for the current policy on state pension up-rating overseas to continue. Thus pensioners who would have been entitled to up-ratings if they retired in the UK are no longer entitled to that increased payment simply because they live in certain overseas countries. Pensions will be up-rated only in a European Union

country or one with which the UK has a reciprocal agreement. There are 16 such non-European Union countries, including the USA, Israel, Turkey and the republics of the former Yugoslavia. The agreements with Canada and New Zealand and the former agreement with Australia do not provide for up-rating. Between them those three countries account for around 80% of overseas residents who do not get their full pension entitlement.

We are talking about individuals who have paid national insurance in anticipation of receiving a full UK state pension. We often talk about a postcode lottery; in this case it is a national lottery, with 550,000 pensioners paying the price—entitlement to a full pension based not on their national insurance contributions, but on the country they live in. How can that be fair? If they live in the US Virgin Islands, their pension rights are protected, but if they live in the British Virgin Islands, those rights are not protected. The debate today is about fairness. It should not be about where pensioners live.

Pensions, after all, are a contract. They are not a benefit. It is only fair and just that a British pensioner who chooses to enjoy their retirement overseas should receive the same amount as a British pensioner who chooses to remain in the United Kingdom. Either they have an entitlement or they do not.

Mr Charles Walker (Broxbourne) (Con): If people pay in, the pension should pay out, regardless of their address.

Ian Blackford: I thank the hon. Gentleman for that very succinct comment. That is exactly the point. This should be about what are often called British values of fairness. If people have paid into a pension, they should get their entitlement with the annual up-rating. There is no excuse for us not to do that. Why do we seem to have different classes of pensioners? It is morally unjust and truly unfair for the Government to strip pensioners of their right to equal state provision. Overseas pensioners are entitled to fairness. The state pension is a right, not a privilege.

I look forward to the Minister responding later in the debate, but I hope that we do not hear what we have heard before—that it is all about cost. It is about doing the right thing and recognising that all pensioners deserve to be treated fairly. We should focus today on the 550,000 pensioners who are losing out, but there is a topical dimension to this debate as well. What are the implications for the 400,000 UK pensioners living in EU countries if there is a Brexit vote in a few weeks' time? In the other place, Baroness Altmann, responding on 3 March to a parliamentary question of 23 February, stated:

"Of course there is uncertainty about how a vote to leave the EU could impact on access to pensioner benefits for UK pensioners living in other parts of Europe."

What are we to make of that? There is no clarity at all in that answer from the Government. Are the 550,000 pensioners with frozen pensions likely to be joined by others if there is a Brexit vote?

The Government could say today that irrespective of that vote, those living in EU countries will have their pensions protected. Will the Minister do that today? Will he assure our pensioners living in EU countries

[*Ian Blackford*]

that their pension will not be affected by a Brexit vote? That is a simple request. It is easy for the Minister to respond appropriately and remove the uncertainty for UK pensioners living in Europe.

The Government want to lift the limit on the period that UK citizens living abroad can vote from 15 years to their entire lifetime. Why would the Government want to confer voting rights on UK pensioners, but deny them full pension rights? What drives the decision-making process of this Government? Is it cost savings, or will they accept our obligations to meet our commitment to paying pensions, regardless of country of residence? I appreciate that the Minister will no doubt have been told by the Treasury to offer nothing. The Minister is a loyal Government servant and I understand his position, but let me help him to strengthen his case with the Treasury.

The present Chancellor of the Exchequer, during a debate on the Pensions Bill in the 2003-04 Session, when shadow Chief Secretary to the Treasury, said:

“If the system worked in the way that most people think, it would not matter where a person lived”—[*Official Report, Pensions Public Bill Committee*, 18 March 2004; c. 256.]

I have not said this before, but on this occasion I agree with the Chancellor: it should not matter where a person lives.

I appeal to the Minister to reflect on those words from his colleague, the present Chancellor. He spoke those words while in opposition, but each and every one of us should be judged by our deeds in government. It is not good enough to say the right thing when in opposition, and then, when in government, claim that it is all about cost. Let us today do the right thing. Let us unite in the House, standing up for all our pensioners, regardless of domicile.

I look forward to hearing voices from all sides of the Chamber. I look forward to hearing the hon. Member for Ashton-under-Lyne (Angela Rayner) speaking from the Labour Front Bench. She said at a meeting of the all-party parliamentary group on frozen pensions on 2 February this year, “The situation is unfair, illogical and doesn’t make sense.” I agree with those sentiments. If the House divides on the motion, I hope Members on both sides of the Chamber will stand shoulder to shoulder with all the pensioners who are seeking their full pension rights.

Patrick Grady (Glasgow North) (SNP): My hon. Friend mentioned the all-party group on frozen British pensions. He and the Chamber might be interested to know that he has just been elected as a vice-chair of the all-party group on women against state pension inequality and that my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) has been elected as co-chair—the meeting at which that happened was absolutely crowded. Does my hon. Friend share my concern that these injustices on pensions issues seem to run like a thread throughout UK Government policy? It really is time to resolve the WASPI issue and the overseas pensioners issue.

Ian Blackford: I thank my hon. Friend for that news—I did not even know that I was up for election. He is absolutely right: we are talking today about frozen pensions, but women born in the 1950s also face injustices.

Many of us on both sides of the Chamber have engaged in the debate about that, and the fight goes on. Given the importance of these issues, I have suggested to the Minister that we should take some of them out of the Chamber and have a pensions commission that can look holistically at them. We can then make sure that we get them right and accept the obligations we all have to look after our pensioners, whether that is the women born in the 1950s or the frozen pensioners who are suffering.

I acknowledge that there is a cost to the Government in unfreezing pensions, but the resulting increased migration would offer them savings to help pay for doing that. In 2010, an Oxford Economics study using Government statistics showed that a pensioner who permanently leaves the UK saves the UK £7,700 a year in NHS usage and other age-related benefits, while the lost income in relation to such a pensioner would amount to £3,900—a net saving to the Exchequer of £3,800 at 2010 prices or £4,300 at today’s prices.

Many people living in the UK today perhaps came from the Caribbean or the Indian subcontinent and worked here all their lives, but those who want to go back to their country of origin cannot do so, because they risk being penalised by a frozen pension. We must help those who want to do that, as well as UK pensioners who live overseas. This is, therefore, not just about the gross cost of increased pension spending; there is an element of potentially reduced commitments to pensioners who seek to leave the UK to be with loved ones abroad or to return to their country of origin.

Those subject to frozen pensions have waited long enough to see this matter debated in the House. We must not let them down. We need to speak up for those pensioners living in the UK who want to move abroad to be with loved ones who have emigrated and those who came to work here and who wish to return to their country of origin, but who are fearful of the impact. There is a host of reasons why a pensioner may choose to move abroad in later life; it is simply wrong to punish them for making such a choice.

Pensioners who have paid the required national insurance contributions during their working lives, in the expectation of a decent basic pension in retirement, will find themselves living on incomes that fall in real terms year on year. Paying national insurance contributions to qualify for a state pension is mandatory. All recipients of the British state pension have made these contributions, and it is clearly unfair to differentiate payment levels.

Pensioners will now face ending their days in poverty because they chose to live in the “wrong” country—in most cases with no knowledge of the implications of their choice for their pension. Some people are being forced back to the UK—away from the family they love—just to secure an income they can survive on.

Reform would bring the UK in line with international norms, as most other developed countries now pay their state pension equivalents in the way I propose. We are, I am sad to say, the only country in the OECD that does not pay pensions irrespective of domicile. That should shame us all. Why are we the only country that does not accept our moral responsibility to our pensioners? That must change.

We know the statistics—that 550,000 people are affected—but behind those numbers are 550,000 human stories. Let me take three examples of the human cost

of freezing state pensions. Abhik Bonnerjee, now 73, moved from India to Glasgow in 1960. He worked in the UK for 38 years—in shipbuilding, steel manufacture and the food industry. He also owned a restaurant for six years.

Abhik returned to India in 1997 and reached the state pension age in 2008, when it was paid at £87.30 a week. He made all the required national insurance contributions, and if he was still in the UK today, he would be getting not £87 but the full UK state pension. The decline in his real-terms income has left Abhik concerned about losing his home. He now feels he may have to move back to the UK. Why are we putting such a gentleman in such a position?

Alan Brown (Kilmarnock and Loudoun) (SNP): My hon. Friend gives a very good personal example. Is there not also a paradox? Abhik faces the dilemma of returning to the UK, but if he does return, not only will his pension be uprated to the full amount, but he will be able to access health and social care, so, as well as the disruption to this person's life, there would also be a further cost to the UK Government.

Ian Blackford: My hon. Friend is absolutely correct. This is not just about someone who comes back to the UK to live. Oddly enough, if such individuals came back to the UK for a holiday, they would collect their full UK state pension when they were here. The whole thing is just daft; we need to normalise it and accept our full responsibilities.

Let me give the example of Rita Young. She is 78 and lives in Peterborough, in the UK. She retired in 2002, aged 67, having enjoyed a long career in market research and as a community volunteer. Rita's son moved to work in Australia some time ago and now has a family there. Since being widowed, Rita has wanted to join her son and grandchildren, but she has felt unable to do so because of the prospect of a frozen pension.

As Rita gets older, she finds daily life increasingly difficult, especially as she does not have a family around her to rely on. She is deeply saddened that she is not able to be with her family during the later stages of her life. She said:

"I have worked and contributed to my state pension all my life. It doesn't seem fair that the government can just stop uprating it because I want to be with my family."

That is the human cost of frozen pensions.

Lastly, there is former college lecturer Anne Puckridge, now 91. She lived and worked in the UK all her working life, paying mandatory national insurance contributions throughout. In 2002, aged 77, she finally retired and decided to move to Canada to be with her daughter and grandchildren, who had moved to Calgary. Fourteen years on, Anne, who served as an intelligence officer in the Women's Royal Naval Service in the second world war, is struggling to live on a frozen pension of £75.50 a week.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): Does my hon. Friend agree that the fact that the majority of Commonwealth nations are part of this process where pensions are frozen is a slap in the face for those who served not only this country but the Commonwealth in the second world war and in conflicts after that?

In this year, when we have so many commemorations, unfreezing pensions would be a worthwhile exercise and would show that we value the worth of these people.

Ian Blackford: Absolutely. We owe a debt of gratitude to these people, and we should recognise that. My hon. Friend talks about the Commonwealth, and the arrangements are not reciprocal, because a Canadian pensioner who moved here would get their full pension. We need to make sure that our pensioners living in Canada are treated in the same way.

Anne feels that she will be forced to move back to the United Kingdom because her pension will no longer cover her day-to-day expenses, and she is increasingly reliant on her daughter to get by. She said:

"It's the small things, and the injustice, that is really getting to me. I value my independence, but I can't go on living on the breadline and I don't want to inflict this on my family. As well as ever-increasing poverty, I feel a sense of stress and shame, which is affecting my health."

For Abhik, Rita, Anne and all those who are not getting what is rightfully theirs, let this House today send a clear and unequivocal message to the Government that we want all our pensioners, regardless of domicile, to receive what is rightfully theirs: a full state pension. Today we can take the first steps towards fixing this injustice and delivering fairness for all our pensioners.

2.29 pm

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara): I congratulate the hon. Member for Ross, Skye and Lochaber (Ian Blackford), and all those on the Order Paper who support the motion, on securing the debate on this very important subject. For the sake of clarity, I would like to point out a flaw in the motion. It seems to indicate that it is this Government who have introduced the measure, when it states

"will no longer be uprated"

and

"regrets that the Government has taken this action".

I would simply point out to the hon. Gentleman that this policy has been consistent for 70 years. It is not something that this Government have done.

Ian Blackford: I made it clear in my speech that I recognise that this has been happening since the 1940s. I absolutely acknowledge that. This has happened under all Governments. None the less, we have the opportunity today to respond to it in the correct manner.

Sir Peter Bottomley *rose*—

Mr Vara: I give way to my hon. Friend.

Sir Peter Bottomley: The House and the Minister will recall that each year a statutory instrument, or equivalent legislation, is brought before the House to continue the policy, so none of us can say we are blameless. The fact that a small minority of us have so far been voting against what the Government propose to Parliament is our fault for not recruiting more people. The best people to recruit would be the Chancellor and the Prime Minister, and then the Ministers at the Department for Work and Pensions who have to face up for the Government and will be able to pass the responsibility on to those who carry the responsibility—the most senior Ministers in Government.

Mr Vara: I am grateful to both hon. Members for clarifying that point. I was simply pointing out an inconsistency on the Order Paper. For the sake of good order, I wanted to make clear that although yearly decisions have been taken by the Government, they are consistent with the policy undertaken by successive Governments from both sides of the House.

The UK state pension is exportable worldwide, regardless of recipients' countries of residence or nationality. Successive Governments have taken the view that all those who have worked in the UK and built up an entitlement to state pension should be able to receive it. We have no plans to change this arrangement. However, the state pension is only increased, or uprated, each year where the recipient is resident in the European Economic Area or a country with which the UK has a reciprocal agreement that allows for uprating.

The policy on this issue has been consistent for 70 years, including under the Governments of Attlee, Wilson, Blair, Macmillan, Thatcher and Major. To uprate all state pension payments, regardless of a recipient's country of residence, to the rate currently paid in the UK would cost in excess of an extra half a billion pounds a year. This amount would increase significantly over time. If arrears were to be included, the cost would be in the billions of pounds. Some have suggested partial uprating, but while this may cost tens of millions of pounds in the short term, the annual cost of the policy would converge to that of full uprating in the long term.

Sir Peter Bottomley: It might help if the Minister, either today or in the next Session, could tell us the last time the Government voluntarily negotiated a reciprocal agreement with another nation or territory. Secondly, since the last negotiation on a voluntary reciprocal agreement, how many other countries have been brought into the uprating for other reasons, such as accession to the EU?

Mr Vara: I can certainly partly address my hon. Friend's question. No new commitments allowing for uprating have been made since the 1980s. As far as the other information he seeks, I am more than happy to write to him.

We have to recognise that resources are limited. The Government have to make judgments and take difficult decisions about how best to use limited resources. The majority of pensioners abroad live in countries such as Australia, Canada, New Zealand and South Africa. The rules in those countries vary. Some have largely means-tested pension systems, whereby a significant proportion of any increase in the amount of the UK state pension would go to the Treasuries of those countries, rather than the pensioner. I should add that many people who voluntarily move abroad do so before they have reached pensionable age. As such, many of them may well have been able to build up some pension provision in the countries they have emigrated to.

We should remember that the decision to move abroad is a voluntary one. It remains a personal choice dependent on the circumstances of the individual, which will differ from person to person. The implications for their state pension is just one factor in that decision. There is no evidence of a proven behavioural link between the uprating policy for the state pension and pensioner migration.

Ian Blackford: I am grateful to the Minister for giving way. He is being very generous with his time. Will he not accept that every other OECD country allows their pensioners who live abroad to collect their pension? Why are we standing against this? We are not talking about people getting something they are not entitled to, whether they have moved abroad before they have retired. We are talking about them getting something they are entitled to because they have made national insurance contributions. That is what we are denying them.

Mr Vara: It is important that we do not just look at this from one narrow perspective. The hon. Gentleman says that people have paid national insurance and are therefore entitled to this. As I say, there are other aspects involved. For example, there is the element of individual choice. When people think about going abroad, it is not purely this issue that will determine whether they will live here or abroad.

Over the years, the UK has entered into a number of reciprocal agreements with other countries. Although most provide for payment of upratings, that is not the primary purpose of reciprocal social security agreements. They are intended mainly to provide a measure of co-ordination between social security schemes to protect the social security of workers moving between the two countries during their working lives. They prevent employees, their employers and the self-employed from needing to pay social security contributions to both the home state and the state of employment at the same time to get access to social security benefits. Of course, social security agreements vary to some extent from country to country, depending on the nature and scope of the other country's social security scheme. It should also be noted that the UK is not alone in applying restrictions on payment of state pensions abroad. In some respects, the UK arrangements are less restrictive than those that apply in other countries.

The crux of the issue is individual choice. Those who have contributed to the UK state pension scheme are free to draw their entitlement from wherever they choose to live. The rules governing the uprating of pensions are straightforward and widely publicised. If a person chooses to live in country A their pension will be uprated, but if the choice is to live in country B their pension will not be uprated. In the final analysis, it is for the individual to weigh the benefits of living in country B, where her or his pension will not be uprated, against the benefits afforded by country A—or, indeed, remaining in the UK.

I am mindful that there are a number of hon. Members in the Chamber who wish to speak in the debate. It is a Backbench Business debate and I am mindful to give Back Benchers the freedom and opportunity to speak for a longer time than those on the Front Benches. So I congratulate again the hon. Member for Ross, Skye and Lochaber, and those who have supported him, on securing the debate. I am very pleased to have been able to set out the Government's position, which remains unchanged.

2.38 pm

Angela Rayner (Ashton-under-Lyne) (Lab): I congratulate the hon. Members for Ross, Skye and Lochaber (Ian Blackford) and for Motherwell and Wishaw (Marion Fellows), and my hon. Friend the Member for Vauxhall (Kate Hoey) on securing the debate. I thank all hon. Members taking part in it. They have already made some significant contributions.

My party leader has spoken eloquently on this issue in the past, having previously served on the all-party group. Frozen pensions seem even more of a problem today in the context of the rich and wealthy hiding their money in overseas tax havens. Many of my constituents have grandparents and parents who answered our Governments' calls after the war to come to rebuild our country. Many of those pensioners have been long-standing public servants and have even fought for our country. They have paid national insurance for many, if not all, of their working lives and played by the rules.

Since 1981, however, it has been the position that where a person is not "ordinarily resident" in the UK there is no entitlement to an annual increase in retirement pension. The Government recently reaffirmed this in the debate on 26 January where the Minister stated:

"As hon. Members will be aware, the state pension is payable worldwide, but up-ratings for people who are not ordinarily resident in Great Britain are generally restricted to people living in the European economic area, Switzerland, Gibraltar or countries with which there is a reciprocal agreement that provides for up-rating."—[*Official Report, Second Delegated Legislation Committee*, 26 January 2016; c. 4.]

Cost has been cited as a determining factor in continuing to freeze pensions, and the House of Commons Library puts that in the region of £500 million a year. However, the proposal of partial up-rating has an estimated up-front cost of just £37 million—small in Government spending terms—and this option offers an affordable and expeditious policy alternative. I and my party are keen to review the research by the International Consortium of British Pensioners and the National Pensioners Convention that suggests a partial way forward that is cost neutral to the Exchequer. We want to be bold in our response, and also credible. Indeed, I am aware that the right hon. Member for West Dorset (Mr Letwin) has made a commitment to look into this proposal on behalf of the Government.

As somebody relatively new to this brief, I believe it is worth taking a fresh look at the current arrangements, as the logic is just not there. Arrangements have been made with some countries and not others. While one British pensioner in the USA gets an up-rated pension, a pensioner in neighbouring Canada has theirs frozen. The Government should review the impact of this policy. Labour is calling for a full equalities and impact assessment of the freeze in overseas state pensions, as well as a country-by-country analysis of the number of people affected. I recently met the ICBP and the NPC, and we discussed the impact of the freeze in overseas state pensions. Many Members have spoken passionately about the individual impacts, such as in the case of Rita Young being kept away from her family, mentioned by the hon. Member for Ross, Skye and Lochaber.

The Government have told us half the story, but Ministers must be forthcoming about the impact of this policy. For example, the vast majority of those affected live in Canada or Australia, two countries where the pensions system is means-tested. The previous Pensions Minister said that, as a result, up-rating the pensions of British citizens living in those countries would, in effect, mean a transfer to the Canadian and Australian exchequers, and the pensioners themselves would not necessarily be any better off. I would welcome further details from the Government about the number of British pensioners living in countries where the pensions system are not means-tested. I would be grateful if the Minister could

give the House that information today or write to me. How many British pensioners live in countries where the pensions system is not means-tested, and by how much are they losing out? Echoing the request made earlier, have the countries in which they live approached the UK Government for a reciprocal agreement similar to that which we have with the United States, and if so, on what grounds were those agreements refused? Overall, will the Minister give us an estimate of the cost to the Exchequer of up-rating for British pensioners living in countries where the pensions system is not means-tested?

I am keen to listen, learn and work with stakeholders such as the all-party parliamentary group to find a solution that is credible, affordable and fair. Members across the House will, like me, have received emails and correspondence from many overseas pensioners who will be watching this debate. I hope they take from it the message that Members from across this House value the contribution that they have made to our great country and will continue to work across parties to seek a fair way forward.

2.44 pm

Sir Roger Gale (North Thanet) (Con): I, too, congratulate the hon. Member for Ross, Skye and Lochaber (Ian Blackford) on his good fortune in securing this debate. I also congratulate him on his election to officership of the all-party WASPI group. Perhaps in that capacity he will be good enough to write to my constituents who expect me to be at its meeting today to explain why both he and I are here rather than upstairs.

Hon. Members on both sides of the House as chairman of the all-party parliamentary group on frozen British pensions, might be surprised that my name is not on the motion. The reason is merely that it is technically flawed, as my hon. Friend the Minister and, I think, the hon. Gentleman recognised. However, that should not be allowed to diminish in any way its thrust, which is very simple. For that reason, I do not want to detain the House for very long.

This is about an injustice that was perpetrated just post-war and has continued ever since under successive Governments. The point has been made, but let us make it again: it is absurd that a pensioner living in Canada on one side of the Niagara falls has a frozen pension, while a pensioner living in the United States, 500 yards or so away on the other side of the river, does not have a frozen pension. There is no equity, no sense and no logic in that whatsoever.

It has been said, slightly incorrectly, that a lot of these people have paid national insurance contributions and should therefore be getting their pensions. We all need to recognise that national insurance is not a funded pension scheme. Unlike a private pension scheme, which is fully funded, NI is not—it contributes to a number of benefits. Nevertheless, throughout their working lives, very many of these now-elderly people who are being shoddily treated have not only paid national insurance contributions but paid their taxes to the United Kingdom, served the United Kingdom, and, in some cases, served the United Kingdom in the armed forces. If, in retirement, having paid their dues all their working lives, they wish then to join friends or family in another country, why should they not be able to do so and take their pensions with them?

[Sir Roger Gale]

As we have heard, there is another restriction on movement. A significant number of Commonwealth immigrants who came to the United Kingdom in the 1950s and 1960s, became established here, worked here, regard themselves as British and have paid their dues all their working lives, would like now, in old age, to return to the Caribbean, for example, but feel that they are being prevented from doing so because they are afraid that their pensions will be frozen and they will not be able to afford to live in the country of their birth. I believe that is morally wrong.

Another downside to all this is that we are in danger of generating a cadre of pensioners who will be coming back to the United Kingdom, like the 90-year-old in Canada who may have to abandon his partner who has dementia and come back here because he cannot afford to live. If they do so, there will be a cost to our health services and our social services. That needs to be taken into account by the Department for Work and Pensions and the Treasury.

On expats living particularly in France and Spain but throughout the European Union, one potentially very serious issue has been touched on but skated over. If—I hope we do not—the United Kingdom votes to leave the European Union, there is no guarantee that those pensioners will continue to have their pensions up-rated. Following the cessation of the winter fuel payment, on the slightly spurious grounds that Guadeloupe, Martinique and one or two other places are part of metropolitan France and that it is therefore appropriate to remove that benefit from those living there, a lot of these pensioners are not, as is popularly described, rich retirees living on yachts in the Mediterranean drinking gin; they are struggling. They will come home, because they will not have anywhere else to go. I suspect that the trickle of people doing so will turn into a torrent if we leave the European Union. It is no good the Brexit people saying we will negotiate unilateral agreements. With 27 countries? Okay, it may be mainly France and Spain, but we would also have to consider Italy, Greece and some of the other 26 member states dotted around the European Union. It is a very real issue that the DWP and the Treasury will have to face.

The all-party group recognises the very real difficulties involved in resolving a problem that has been allowed to build up over many years. With great respect to my hon. Friend the Minister, it is facile to say that successive Governments have done this. Successive Governments have, but successive Governments have been wrong, and it is time we put the injustice right. There has to be a way of addressing the issue.

John Markham, Jim Tilley and others from the International Consortium of British Pensioners have met the Cabinet Office and proposed what I believe to be a sensible solution. I understand entirely that the Treasury is very afraid—this is not a DWP issue, really—that if an inch is given, a mile will be taken in the law courts by people who will seek recompense for the last 40 years. That, of course, could add up to a considerable amount of money. We have to move forward, however. We cannot honourably stay where we are, so John Markham and his colleagues, along with the all-party group, have suggested to the Chancellor of the Duchy of Lancaster that there should be an up-rating based on receipt of

today's pensions. If somebody had their pension frozen 20 years ago when they left the United Kingdom, and many have, they would be up-rated at that figure, not at today's figure. That would be a pittance—a pitiful sum of money—but it would be a step in the right direction. Gradually, over time, it would resolve the problem and we would accept the principle that those pensions should be up-rated in line with inflation year on year, which is the right principle.

Following receipt of John Markham's paper, the Chancellor of the Duchy of Lancaster has looked at it and construed that more information is needed. That I accept. The pensioners are not expert in all these matters, although they are pretty good. My understanding is that the Chancellor of the Duchy of Lancaster has been in touch with John Markham and referred the matter back to him. He is now assembling the further information that is required to enable the Office for Budget Responsibility to consider the matter.

The DWP, the Treasury, the Cabinet Office and the Prime Minister all have to recognise this. If we do not address the problem, there will certainly be a moral cost, because we are wrong. There will also be a financial cost, on two fronts, because pensioners who cannot afford to live overseas will come home and pensioners who want to retire overseas will not go. At the end of the day, that will be a cost to the social services budget.

When my hon. Friend comes to respond, if he is granted the leave of the House to do so—I assume that he will be—I would like him simply to say that he recognises the problem, and that he understands that there has to be a way forward. There has to be a solution. I mean no disrespect to him, but I suspect that this is slightly above his pay grade; it is certainly above mine. I want this Conservative Government to have the pride and the courage to give people who are in retirement overseas the dignity that they deserve.

2.54 pm

Marion Fellows (Motherwell and Wishaw) (SNP): I pay tribute to everyone who has brought this debate to the Chamber. I declare an interest: I am in receipt of a UK state pension, which has been up-rated since I first received it. I further declare that it is possible that, at some time in the very distant future, I may decide to live abroad.

As you well know, Madam Deputy Speaker, "facts are chieft that winna ding And canna be disputed".

I have written that down for *Hansard*. I will repeat many things that have already been said in the debate, because they are important. A pension is not a benefit. It is not a privilege. It is not a handout. Pensions are earned by individuals who contribute to the state—generally those who have worked hard all their lives to provide for themselves and their families and to support our economy.

UK state pensions are up-rated according to the laws and regulations in this country, and that right must be extended to all British pensioners abroad, over half a million of whom do not benefit from up-rating. Currently, as has been said, no reciprocal agreement exists with the Commonwealth countries of Canada, New Zealand and Australia. UK pensioners living in these countries account for 80% of those who have had their pensions frozen. We have a close relationship with

those Commonwealth states, but apparently not close enough to form reciprocal agreements to support pensioners. The countries with which we have reciprocal agreements include the republics of the former Yugoslavia, the USA, Turkey and—a personal favourite of the Government—the tax havens of Barbados and Bermuda. The fact that the Government protect tax havens for the benefit of global elites but fail to right the injustice to their own pensioners perfectly exemplifies the Government's priorities.

The reasons given by the Government for rejecting universal up-rating lack coherence. The Government claim that the price of universal up-rating is too high. In fact, Oxford University's figures estimate that £4,300 is saved each year with every pensioner who moves abroad, because of the decreased pressure on public services. I am sure if they really looked, the Government could find the money to provide for those pensioners, just as they found the money for bombing Syria and just as they will find £167 billion to replace Trident. The Government are more concerned with bombing abroad than they are with supporting our pensioners abroad. The Government have said that they would like to focus on providing for pensioners who are based in the UK, but I reiterate that pensions are a right, and up-rating for pensioners abroad should not mean a trade-off with pension rates for people here.

The Government have said that up-rating is based on levels of earnings growth and price inflation in the UK, and that it has no relevance to pensioners abroad. However, no reciprocal agreements have been made with the three main foreign countries in which British pensioners live in order to try to overcome that deficit. The Government have said that opposition to universal up-rating has been Government policy for 70 years across all Governments. As someone who supports the end of a 300-year political Union, I am not one for blind traditionalism.

This Government, like several before them, have refused even to consider universal up-rating; they have refused to negotiate a reciprocal agreement with certain states, including Great Britain's former dominions; and they have even refused to consider a review. That has all resulted in an asymmetrical system whereby pensioners in the EU and the USA benefit, but those in Australia and Canada, for example, do not.

The Government are taking “an out of sight, out of mind” approach, which leaves our pensioners who live overseas in some countries worse off each year, in real terms, through an incoherent system that sets us apart from every other member of the OECD. Partial up-rating is a pragmatic and practical solution, and I urge the Government to take that route. It is about time the Government secured the rights to pension up-rating for those who helped to build this country, rather than focusing on decreasing public spending and rolling back the state. When we work, we pay national insurance and taxes, and our pensions are accrued on that basis. Those pensions are a right, and no one should ever be refused what is theirs by right, whether they live here or elsewhere.

2.59 pm

Mr Charles Walker (Broxbourne) (Con): I am grateful for being called to speak in this debate. I operate on the principle that I have a contract with my Government

and my Government have a contract with me: I work hard; I pay national insurance and I pay my tax, and in return I get a pension. That is a very simple expectation. It shames this Government and successive Governments that they have failed to meet their obligation to people who have chosen to move overseas. As I said in an intervention, where someone chooses to live should have no bearing on their pension entitlement, and it is shameful that Governments continue to argue otherwise.

The Minister said—it was a reasonable debating point—that up-rating such pensions would cost £500 million a year, but people are owed that money and have a realistic expectation of receiving it. It is not as though a group of angry, silver-haired men and women were demanding some cash without having made any contribution. They deserve this cash precisely because they have made a contribution. Is my hon. Friend the Member for Worthing West (Sir Peter Bottomley) seeking to intervene? He has suddenly lurched forward in his seat.

Sir Peter Bottomley: I was just agreeing with my hon. Friend.

Mr Walker: Oh, that is excellent. It is always nice when someone agrees with me, particularly someone from my own side.

Now that the Minister has resumed his seat, I just want to say that he made great play in his speech of the issue of choice, in that pensioners have a choice about where they live. I am delighted that we have choices in this country—that is the wonderful thing about living in an open and free society—and that we can choose where we live and whom we associate with. However, choice cuts both ways, does it not? Choice also applies to Government. The Government absolutely have the choice to honour their promises to retired people who have made an enormous contribution to this country. Right now, the Government are choosing not to honour those commitments. I conclude this very short speech by saying that the Government should exercise their right to choose by actually choosing to do the right thing.

3.2 pm

Kate Hoey (Vauxhall) (Lab): I congratulate the hon. Member for Ross, Skye and Lochaber (Ian Blackford) and the other Members who have spoken in this debate. I pay tribute to the hon. Gentleman and his hon. Friends because the fact that so many SNP Members are in the Chamber for this important debate sends out a very positive signal.

Some of us have been speaking about and supporting this campaign for many years. As has been said, parties of all political persuasions have made all the right noises and said positive things when in opposition, but have completely reneged on that when in government, because Governments always tend to renege when the Treasury gets involved. I very much welcome the speech of my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) because she reflected the views of the leader of our party, who has been committed to this for many years. I hope that we will now treat this campaign very seriously and be strong supporters of it.

I pay tribute to John Markham, who for many years has continued to push this issue with the International Consortium of British Pensioners, the global coalition

[*Kate Hoey*]

of all the various campaign groups. He has kept going, as have all his supporters, when—time after time, setback after setback—they must have felt that they were not really getting anywhere. Following the speeches by Members on both sides of the Chamber, I hope they feel that they are now beginning to see movement. I also welcome the involvement and support of the National Pensioners Convention. All of us who have pensioners groups in our constituencies—this issue is certainly raised regularly in my area—know that pensioners in this country, no matter how difficult their circumstances, believe that the arrangement is unfair and would welcome the resolution of this problem.

I am particularly concerned about the issue because it involves many people from the Afro-Caribbean community in my area. They came to this country to work many years ago and many of them are now getting on and would like to go back. Some islands in the Caribbean are covered and some are not. It is just ludicrous that our Government cannot work out reciprocal agreements even with that small area of the Caribbean—let us forget the big countries for the moment. Those people want to go back home in their old age to retire, but do not feel they can go back knowing that their pension will not increase and that they may well need help from their families and relatives there, when they have been working over here. They want to go back home and to be able to retire with dignity.

To be honest, the Minister did not really say anything other than what he read out from his brief, which probably included everything he said the last time he spoke. I do not understand why we cannot get a reciprocal agreement with Australia, Canada and New Zealand. When he winds up, will he actually tell us why we cannot get such an agreement? Have the Government tried to do so? When did they last discuss it? What are the obstacles to it? Those three countries are among the countries closest to this country. They are part of the Commonwealth, and many of their citizens died for us during the first and second world wars. Why can we not get a reciprocal agreement with those three countries, and why can we not get one with the whole of the Caribbean?

Reciprocal agreements are only one way of solving this problem. The best way would obviously be to restore fairness by saying that this is the pensioners' money, not the Government's—the money is due to pensioners and should have gone to them. At some stage, a Government will have to accept that enough is enough and that we really must take this bold step. I hope that the suggestions made in this very good paper, "Frozen British Pensions: The Case for Change", which has a lot in it, can be taken up. If we could at least have a partial up-rating, that would be a start.

This is a question of justice and fairness, not of cost. We know that the cost for many of the people who would like to move abroad, go back home or retire to be with their family would be made up through savings over the years. There will be savings—there is no doubt about that—and it will also cost us much more if, as has been said, many people came back to this country just when they will need more support from the health service and all the other social services. On the cost issue, I understand that this sounds like a huge amount

of money, but to me, £30 million—it would at least start to redress the problem by following the suggestion in this document—is not a huge amount of money. I do not want to get involved in the EU thing, but I think we are giving something like £50 million a day to the European Union. In the scale of things, £30 million is actually a very small amount.

I appeal to the Minister and certainly to my hon. Friend on the Front Bench to keep up the pressure on this issue, particularly because I believe that a start has now been made. During the 27 years that I have been in the House, I have never seen so many Members involved in holding debates or asking questions on these matters. Two or three committed Conservative Members have always done a huge amount of work on it, but for the first time a lot of new Members have understood the issue. The system has not been explained to people. There are even people moving now who do not realise what it means, because the website is not clear; there is no clarity. Many people who moved a long time ago had no idea that their pension would not be up-rated, so we have not made this very clear.

I thank all Members who have taken part in the debate today. I hope that those watching this debate all over the world, who have felt so let down over the years, will feel that at last—thanks to the efforts of the Members who have secured this debate and have spoken today—there is a chink of light and that this situation may actually begin to change.

3.9 pm

Sir Peter Bottomley (Worthing West) (Con): I agree with everything that has been said so far, except what has been said from the Front Bench. That is not to be taken personally by the Minister—we know that his role is to say what the Government have decided not to change.

The issue is that the Government have to change. We ought to start by changing the pension fund for Members of Parliament so that any Member of Parliament who goes to live in one of the countries on the frozen list does not get a pension at all or, if they do, it is not up-rated in line with inflation. Why is it that the actuaries who do the calculations for the Government can take their second state pension—their work pension—abroad to any island in the Caribbean, and know that it will be up-rated with inflation? Why is it that if they move to the Isle of Skye, the Isle of Wight, the Isle of Ely, or possibly even to Dubai—

Mr Charles Walker: The Isle of Thanet.

Sir Peter Bottomley: Indeed—I am grateful to my hon. Friend. I pay tribute to him, to the hon. Member for Vauxhall (Kate Hoey) and to others who, in advance of the welcome efforts from the Scottish National party, have followed the efforts of John Markham and his predecessors—he was not the first to fight this battle, although I hope he will be the last.

Why is it such an arbitrary collection of countries? I believe that a time will come when this Government find that a Commonwealth Heads of Government meeting is dominated, justifiably, by representatives of the main countries, where the more than half a million pensioners with frozen pensions live, asking the head of our Government why it is that a Minister can sit on the Front Bench and say—these are not precisely the Minister's

words—that we should not worry too much, because if the person really needs money they can get it from social security in the country they live in. That may be true in Australia, but it does not apply to the person who served in the civil service in Southern Rhodesia and stayed on in Zimbabwe, where we can now find billion dollar notes because of the previous inflation—heaven knows what will come from the present situation. That person has no option. That is not fair or right.

The politics mean that this change will come in time. It is a question of when and how. I suspect at some stage in the future—I hope still to be in the House when it happens; I do not intend to go on forever but I intend to go on for quite some time—the full up-rating will be applied retrospectively. I understand from John Markham's team that the first, and possibly only, step will be a partial unfreezing.

We need the Chancellor to understand that, as and when we have the proper plans for the 1.2 million British pensioners overseas to be able to vote—whether in individual constituencies or in some overseas constituency as for France—that will bring in a political power that is missing at the moment. The problem at present is that those who are already overseas tend not to be registered and do not vote—it is a scandal how very few of those who have moved even in the past 15 years are registered to vote and do so—and those who have not yet reached pension age or have not yet gone abroad do not think that this situation really matters to them.

We have 1.2 million British pensioners overseas now, which is 10% of British pensioners. We have to anticipate that there will perhaps be twice as many in the future. The time for the Government to resolve this issue is now. Otherwise, every extra 100,000 British pensioners abroad will mean about 50,000 in a country where their pension will be frozen, and the Government will then start to say that the cost is going up.

The alternative, of course, is for the Government to say that they do not think that pensioners overseas should get an up-rating to their state pension and that they will renegotiate the agreements they already have with the EU and other countries around the world so that none of the 1.2 million British overseas pensioners will get an increase. That would at least have some logic to it. Perhaps the Minister will say now—or else he could write to me later—whether the Government have asked any country with which we have a reciprocal agreement whether it would like to drop it. I doubt he will be able to confirm that, because I do not think it has happened. Over the past 35 years, since 1981, the Government have simply thought that they do not have to do much about the situation because people are not making a fuss about it. Well, the job of this House of Commons is to make a fuss about it.

I could go on for quite some time, but I will put it this way. I do not want my Government—this Government or any alternative Government—to go on giving to the Minister in the Department for Work and Pensions the sort of points in their brief that the Minister has been given today and so has given to us. The arguments—not the Minister—are weak and insubstantial. They do not take us any further forward or provide a resolution. They just say, “We’re going to be stick-in-the-muds, because in 1981 we got away with it and nobody noticed.” More than half a million people, in countries that have mostly associated with this country, in war and peace,

prosperity and difficulty, are being denied the increases that everyone else takes for granted, not just in this country but around the world.

I pay tribute to the hon. Member for Ross, Skye and Lochaber (Ian Blackford) for bringing the issue forward for debate. I thank the Backbench Business Committee. I hope that the Minister will forgive me for the way in which I put some of my points, which are not personal in any way at all. I hope that he will report back that this House and this country do not believe in unfairness. Some of us think that we were elected to help the Government to start doing things that are right because they are right, and not just because popular pressure will grow to make them do those things, whether they think they are right or wrong. The reason to do this is that it is right. The time to do it is now. I hope that that message will go clearly through to the Government.

3.16 pm

Mhairi Black (Paisley and Renfrewshire South) (SNP): I thank my hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) for securing this debate.

It is fair to say that, given my youthfulness, prior to last year I did not have a great understanding of pensions. But the more I look into the different issues, the more bizarre the world of pensions seems to get. I thank the hon. Member for North Thanet (Sir Roger Gale) for mentioning the fact that we are not at the WASPI meeting because we are in this Chamber debating this issue. He made an interesting point, which is in fact one reason why I find this debate incredibly bizarre. He said that the Government claim to have received legal advice that raises fears that people will be able to claim for back payments. But legal advice received by the International Consortium of British Pensioners from Blackstone Chambers contradicts that.

The Minister said that many pensioners overseas whose pensions are frozen are compensated through means-tested benefits in their country of residence and implied that unfreezing those pensions would make savings for foreign Governments at the expense of the UK taxpayer. But again, when we look at the facts, the ICBP's recent review of the countries with the largest numbers of British pensioners with frozen pensions shows that that is simply not the case. The vast majority of pensioners would benefit greatly from an up-rating in full.

That brings me to the person who my hon. Friend the Member for Ross, Skye and Lochaber mentioned, Anne Puckridge, the former college lecturer, who is now 91 years of age. She worked in the UK all her life, then moved to Canada to be with her daughter and grandchildren. Fourteen years on, Anne, who served as an intelligence officer in the Women's Royal Naval Service during the second world war, is struggling to live on a frozen pension of £75.50, which is what she was entitled to when she moved. As my hon. Friend pointed out, she now fears that she will be forced to move back to Britain to be able to survive. He gave us some telling quotes. She has said:

“It's the small things, and the injustice, that is really getting to me...I value my independence, but I can't go on living on the breadline and I don't want to inflict this on my family.”

That is telling. She is not asking for millions here—she does not want to raid the bank. She is asking for the

[*Mhairi Black*]

extra 20 or 30 quid that she is entitled to after she paid into the system all her working life. Anne went on to say—this is perhaps the part that gives us most insight:

“As well as ever-increasingly poverty, I feel a sense of stress and shame, which is affecting my health.”

I looked through the various briefings on this issue and the previous debates there have been, for years now—as the Minister rightly pointed out, this debate has been going on since probably after world war two. In 1981, the line from the Government was not far off what the Minister said today. They said that they could not, unfortunately, unfreeze the pensions because that was incompatible with the Government’s policy of containing the long-term cost of the social security system to ensure that it remained affordable. This is an incredibly cynical point—I am getting used to those in here, so I thought I may as well join in—but it concerns the real lunacy of the argument about cost. Instead of giving people who have paid into the system all their life the £20 or £30 extra that people in the UK get and to which they are entitled, we are saying, “We’re not going to give you that money, but you can go and live abroad, make yourself ill through poverty, worry and the stress of having to come home. When you are forced to return to Britain, don’t worry, we’ll foot the bill for the NHS and everything else.” The argument about cost does not stand up—costs will increase when pensioners who have been made ill through stress or whatever, have to come back in order to survive.

Alan Brown: Yet again, my hon. Friend is making a powerful argument. Does not another nonsense argument about cost concern the reciprocal arrangement that is needed, given that Canadians in this country can get the full state pension from their country but British pensioners cannot get it in Canada? This is not about protecting social security in this country, because a reciprocal arrangement could easily be put in place. We are supposed to have the best social security system in the world, so the argument about cost is nonsense given that the Canadians can afford to pay for their citizens in this country.

Mhairi Black: I could not agree more with my hon. Friend, and I will touch on our relationship with Canada in a minute. My argument is supported by a 2010 study by Oxford Economics, which used Government statistics to show that a pensioner who permanently leaves the UK saves it £4,300 a year in NHS usage and other social security benefits. We are placing an increasing workload and cost on to the NHS and other public bodies—the very bodies that we are simultaneously using as part of the argument to continue with frozen pensions. It makes no sense.

The third reason often given by the Government for this measure is that there could be some sort of legal or political backlash, but that is not the case. This issue has been debated for years, and Annette Carson made a legal challenge against the Government on the basis of discrimination. She said that because she was in South Africa, which does not have a reciprocal deal with the UK, her pension was frozen, whereas if she had moved to an EU country—or a country with such a deal—she would have had an uprated pension. The judge ruled

that she lost the case and that there was no discrimination, but he noted just how ludicrous the system is, and how much confusion there is about it. He ruled that it was a political, rather than judicial, decision, which shows how crazy these plans are—the hon. Member for Worthing West (Sir Peter Bottomley) used that word previously.

Any pensioner who moves within the EU or the European economic area gets an increase, and the UK has reciprocal agreements with 16 countries. As the hon. Member for Vauxhall (Kate Hoey) pointed out, our agreements with Canada, New Zealand and Australia do not allow for uprating, yet those three countries are home to 80% of overseas residents who do not receive upratings.

I agree with everything that the hon. Member for Broxbourne (Mr Walker) said about choice and how that has to work both ways with the Government. The Minister said that pensioners can choose whether to go to country A that has a deal, or country B that does not, but that does not add up. Surely true freedom would allow someone to choose freely where they want to go, knowing that they have paid in all their life and will now get that back. It is not for the Government to put a hindrance on where people can choose to spend the pension that they have built up over their lifetime.

Sir Peter Bottomley: The hon. Lady has not put forward this idea directly, so perhaps I should say it out loud. Perhaps if New Zealand, Australia, South Africa, Canada and others applied to join the EU, people would get that uprating and we would solve the problem.

Mhairi Black: That is an interesting point, but we will wait and see how things go in the summer.

Everything that has been mentioned in this debate touches on a deeper, more fundamental problem within pensions as a whole under this and previous Governments—that of inconsistency. We tell people to pay national insurance for a pension and to save for a fulfilling, free and happy retirement—but only in certain places. We tell people that we will give them greater freedom, that they can be trusted with their pensions, and that we will give them greater choice and allow them to take their pensions early—but we will not give them the freedom to move anywhere with that pension. Deals are made to uprate pensions in some countries, but not others; people are given the vote in some countries, but the Government are not prepared to pay out for their pension. It does not make sense. Everything seems to be convoluted and conflicting.

My hon. Friend the Member for Ross, Skye and Lochaber mentioned what the Chancellor said about being supportive of change when he was in opposition, but the House of Commons Library shows that the then shadow Pensions Minister explained that the Conservatives had “considerable sympathy” with those affected. The Prime Minister stated in a letter that the Government do not feel that they can change anything in times of austerity—“How can we unfreeze those pensions when people in the UK are being asked to make sacrifices?” However, in the wake of recent events—whether the saga of the Panama papers or the shambolic deal with Google—it is clear that the Government are asking the wrong people to make sacrifices, and it is worth reminding the Minister that all the sympathy in the world will not pay the bills.

Madam Deputy Speaker (Mrs Eleanor Laing): Several Members have asked the Minister to speak again, so with leave of the House I call Mr Vara.

3.26 pm

Mr Vara: With leave of the House I would like to make some brief comments. I am mindful that this is a Backbench Business Committee debate, and that it is not normal for Front Benchers to have a second go. I do not want to set a precedent, so I will just make one or two concluding comments about issues that have been raised.

Bilateral agreements were mentioned, and those are normally negotiated on the basis of compatibility of systems. That reciprocity is achieved between the two nations, and respective costs are broadly balanced. Canada has more than 150,000 recipients of the UK state pension, but any new bilateral agreement would not achieve reciprocity and would be disadvantageous to the UK taxpayer.

I pay tribute to my hon. Friend the Member for North Thanet (Sir Roger Gale) for all the work that he has done consistently over a number of years on this issue.

Sir Peter Bottomley *rose—*

Mr Vara: I will not take any interventions, but I pay tribute to my hon. Friends the Members for Worthing West (Sir Peter Bottomley) and for Broxbourne (Mr Walker), and to the hon. Member for Vauxhall (Kate Hoey).

Sir Peter Bottomley *rose—*

Mr Vara: I will not give way.

Sir Peter Bottomley: On a point of order, Madam Deputy Speaker. The logic, I think, is that if a reciprocal agreement may be done at no cost, there would be no reciprocal agreements anywhere.

Madam Deputy Speaker: The hon. Gentleman knows that I cannot answer that because it is not a point of order. It is a point of debate, and the Minister is being brief because he has the leave of the House to speak again.

Mr Vara: Thank you, Madam Deputy Speaker—I do not wish to abuse the leave of the House.

I simply conclude by referring to the issue raised by the International Consortium of British Pensioners, which my hon. Friend the Member for North Thanet mentioned. He was right to say that it has come up with proposals, but it was felt that they were not sufficiently developed. The ICBP is working on more proposals and we look forward to having sight of them.

I once again congratulate the hon. Member for Ross, Skye and Lochaber on securing the debate.

3.28 pm

Ian Blackford: We have had a great debate and there is unity on both sides of the Chamber that the situation shames us all. Members on both sides of the House want the Government to take action. As many have

said, it is about fairness. I thank the Front Benchers who have spoken, my hon. Friends the Members for Motherwell and Wishaw (Marion Fellows) and for Paisley and Renfrewshire South (Mhairi Black), and the hon. Members for North Thanet (Sir Roger Gale), for Broxbourne (Mr Walker) and for Worthing West (Sir Peter Bottomley).

This is a matter of considerable importance. The hon. Member for North Thanet has led the all-party parliamentary group with support from many others, including the hon. Member for Worthing West. We will not let this go, because we have a duty to stand up for the John Markhams of this world and all the others who have been mentioned.

I purposely did not mention the partial uprating but other hon. Members did. The Government could make a start by acknowledging the partial uprating. I say this to the Minister: please go away and talk to the Chancellor of the Exchequer, who spoke in 2003 about the injustices taking place at that time. The Government should accept the moral responsibility that we have for pensioners everywhere. To take the logic of the hon. Member for Worthing West, if we as Members of Parliament decided to go and live in the British Virgin Islands, we would get our pension. If it is right for us, it is right for everybody else. Let's do the right thing.

Question put and agreed to.

Resolved,

That this House notes with concern that the pensions of 550,000 UK pensioners residing in a number of overseas countries will no longer be uprated; is further concerned that this unfairness will lead to hardship for overseas pensioners and that this measure will discourage many UK citizens living in the UK from returning to their country of origin as many wish to do in their retirement; regrets that the Government has taken this action which will lead to loneliness and anger among UK pensioners living abroad; and calls on the Government to withdraw this measure and pay UK pensioners at home and abroad their due state pension with the same uprating adjustment in the interests of fairness and equity.

Mr Charles Walker (Broxbourne) (Con): On a point of order, Madam Deputy Speaker. May I seek your urgent advice? I and others are very concerned about the plight of licensed black cab drivers in London, many of whom are my constituents—I believe many are your constituents. How can I bring my concerns best to the attention of the new Mayor of London?

Madam Deputy Speaker (Mrs Eleanor Laing): I can honestly answer the hon. Gentleman by saying that that is sadly not a point of order for the Chair, but I wish it were a point of order for the Chair because I share his concerns. I no longer speak in this place on behalf of my constituents, but that does not mean that I do not work on their behalf. He and I share a very great concern about the point he has just made. I hope he will find a way, as other colleagues will, of asking questions or applying for debates in this place that will come to the attention of the new Mayor of London, whom we all hope will take the necessary action on this extremely important matter.

I have to announce to the House that I must correct the number announced in the Division earlier today on the motion to disagree to the Lords message on the Housing and Planning Bill. The number of Members voting no and representing English constituencies was erroneously reported as 177 instead of 166. The correct

[Madam Deputy Speaker]

figures are as follows: the Ayes were 292 and the Noes were 197; and of those Members representing constituencies in England, the Ayes were 275 and the Noes were 166. The House will have noted that, although there was an error in the numbers, it makes no difference to the result of the Division.

Under the order of the House of earlier today, I shall not adjourn the House until any message from the Lords has been received. I will suspend the sitting to await a message from the Lords. When the House is ready to resume, the bells will be sounded and a warning notice will be put on the annunciator in the usual way.

3.33 pm

Sitting suspended (Order, 11 May).

Train Services: Southend

Motion made, and Question proposed, That this House do now adjourn.—(Stephen Barclay.)

4.25 pm

Sir David Amess (Southend West) (Con): I am absolutely delighted that I have been successful in securing this Adjournment debate. I am even more delighted that technically I have until 7 o'clock to speak on train services in Southend—although I saw that on PoliticsHome it was billed as “Train Services in Scotland” so I think people there got slightly confused.

I want to apologise for my voice, Mr Deputy Speaker. It is the result of hayfever, which I was told that I would grow out of 60 years ago, but much more importantly it is the result of attending a football match last night. I was honoured to attend the last match of West Ham United at Upton Park, together with my hon. Friends the Members for Hornchurch and Upminster (Dame Angela Watkinson), for Bromley and Chislehurst (Robert Neill), and for Elmet and Rothwell (Alec Shelbrooke). All I can say is that I have been blowing bubbles ever since—it was a wonderful occasion. My hon. Friend the Minister will be interested to know that the behaviour of West Ham supporters on the c2c train last night was absolutely exemplary. As she knows, I have one or two criticisms about what has happened on other occasions, but last night it was definitely the happy c2c line.

I am also delighted to share with the House the fact that it looks likely that we have a Conservative-controlled council in Southend again—a minority Conservative council with 24 councillors. I know that the House will want to send congratulations to first-time councillor David Burzotta, who is a wonderful tenor, and to David Garston and Mrs Helen Boyd, who won Prittlewell and Blenheim Park wards. Alex Bright, a member of staff of my hon. Friend the Deputy Leader of the House, was also successfully elected to the council. I mention this because three weeks ago, on 21 April, Councillor James Courtenay tabled a motion in the council about the c2c service that made a number of observations about it. His motion was accepted unopposed.

Last month, my hon. Friend the Minister and I had a meeting about train services in Southend, and we had an exchange of views. This debate gives me an opportunity to reflect on the situation since she and I had that meeting. Because the debate has come on early, my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois) and my hon. Friend the Member for Rochford and Southend East (James Duddridge) have not been able to join me just yet, but although they are not physically here, they are here in spirit. They have both shared with me a number of observations on train services in Southend.

I know that my hon. Friend the Minister, who is a robust politician—I celebrate that fact—will not take offence at anything that I am now going to say. I will probably sound like Victor Meldrew. I am delighted to say that my hon. Friend the Member for Rochford and Southend East has hot-footed it from the Foreign Office and now joined us in the debate. I am sure that my right hon. Friend the Member for Rayleigh and Wickford will be on his way in due course.

When I was first elected in 1983 as a Member of Parliament for the then constituency of Basildon—this does sound like Victor Meldrew—Ministers had huge

power, but I feel as though, for whatever reason, their power is not what it was. I do not blame my hon. Friend the Minister for the repercussions of the timetable changes on Southend services. As a newly elected Member of Parliament all those years ago, I stopped the closure of an A&E unit with two days to go, for example, and I prevented three schools from being closed. My noble Friend Lord Patten and I were able to do something about re-siting a young offenders unit. We were able to do all sorts of things. All these years later, I feel as though my power as a Member of Parliament is greatly diminished.

As we all know, when Tony Blair became Prime Minister in 1997—the number of Conservative Members of Parliament was reduced to 165, and then to 164 following a by-election—much power was given away to unelected quangos. My hon. Friend the Minister would be right to reflect on the fact that, because of privatisation, Ministers have much less control over such matters than they once did.

I have, for more years than I care to remember, been a commuter on trains to London. I was born in London, which is why I am a lifelong Hammers fan. I regularly used to commute on the Greater Anglia line, and I shared with fellow passengers the nightmare of being unable to get on to crowded trains, and worrying about being late for work and being told off by the boss. In those days, we did not have flexi-hours, and we used to worry about how on earth we would be able to get into the overcrowded carriages. My hon. Friend the Minister will be pleased to know that the trains eventually improved, and London Liverpool Street station was redeveloped. It is now an iconic building. That gave great comfort to all the commuters.

In the constituency that I now represent, only one station, Prittlewell, is served by that line. The station was included in the constituency six years ago. The trains that service the line are completely clapped out, the fares are far too high and the service is pretty poor in every respect. The present operators—I have to be fair to them—accompanied me on a public journey to Liverpool Street. The managing director, Jamie Burles, who is fairly new, was up for going on that public journey. He has been quite open and transparent with me about how to turn the line around and invest in it, and his company is submitting a fairly reasonable case to secure the bid. I am less than enthusiastic about supporting National Express's bid to secure the franchise, simply because of the way in which it has dealt with me over the timetable changes. I will explain more about that in due course.

I turn to the c2c service, and in particular to trains that stop at the three stations in the area that I represent: Leigh-on-Sea, Chalkwell and Westcliff-on-Sea. Before I do, I want to pay tribute to my predecessor, the late Lord Kelvedon, a former Secretary of State for Transport. He got a bad press for all sorts of reasons, but I have never met a colleague more honourable than Lord Kelvedon. Together with the late Lord Parkinson, he can take a great deal of credit for many of the improvements in our rail services. I was loosely involved in the then Department of Transport while each of them was Secretary of State, because I was Parliamentary Private Secretary to Michael Portillo, the Minister of State for Transport. Together, we oversaw the channel tunnel rail link and so many other improvements.

The present Secretary of State for Transport was a junior Minister in the Department at that time. Nothing has given me greater pleasure than to see what a huge success the Secretary of State is today. I think he has done a magnificent job in leading the Department under challenging circumstances. I am not saying that I agree with everything he has done, but I agree with most of the things he has done. He is certainly another robust politician.

It has so often been overlooked that the late Lord Parkinson and the late Lord Kelvedon were responsible for many of the excellent things that are happening in our transport system today. For instance, Crossrail is an absolutely fantastic project, and I never thought that I would live to see all the improvements. The fact that we have new rolling stock on our tube lines was absolutely due to those two Secretaries of State. It is marvellous that the carriages we now get on to are open from one end to the other and do not have the terrible congestion that there used to be. For the refurbishment of our stations, which obviously takes 10 or 20 years to happen, I give great credit to those two individuals.

Let me turn specifically to c2c. It was when I was the Member of Parliament for Basildon under a Conservative Government that I found myself as the champion for privatising the Fenchurch Street line. I did not seek that title, but that is how it turned out. In those days, the line had a well-earned reputation as the misery line. The rolling stock was awful, the trains kept breaking down due to points failure and the passengers had regularly had to walk down the line from Horndon-on-the-Hill.

The rest is history. It was down to the fact that the then chairman of British Rail agreed to go on a public journey with me. In those days, this place was regularly covered and I succeeded in having a public row with him live on television in one of the clapped-out carriages. That night—we used to sit into the wee hours of the morning—I was clapped through the Division Lobby by my colleagues, who thought that I was right to express myself, on behalf of my constituents, about how awful the service was.

The line was privatised, and in 1996 it was awarded to Prism Rail, which operated as LTS Rail. Relatively late on, LTS Rail was rebranded as c2c, which was sold to National Express in July 2000, and the line was transformed into the happy line. That was not the result of gas, but of the fact that everyone was very pleased when they got on the train—it arrived at the station a bit like the bullet train does in Japan—and very happy with the travelling experience. When I became the Member for Parliament for Southend West, I found that customer satisfaction had been transformed. I enjoyed a good relationship with the operators and became their greatest cheerleader.

All that changed, however, on 13 December 2015. The managing director told me about the new timetable changes. I had not asked for any timetable changes, and I had not had any letters, emails or phone calls complaining about the service, but he contacted me to say that the timetable changes would mean an improved passenger experience. I told him that I was already having a very nice experience, but if he could make that even better, so be it. He said there would be increased reliability—I thought the trains were very reliable—and that there would be quicker commutes and more seat availability.

[*Sir David Amess*]

He told me that, in any case, if things did not work out, it was more likely than not that things would be returned to the way they were before.

I did not give the matter a second thought. I looked forward to Christmas and, far from being alarmed, I was absolutely delighted. It was now a Rolls-Royce service, in which one was transported to Fenchurch Street practically in sedan chairs. However, within days of the changes, I received dozens of emails from constituents complaining about how difficult their journeys to and from London had become as a result of the new timetable. At that time, I did not quite understand what they were talking about.

I then began to receive a large amount of correspondence, on a daily basis, about how dreadful the c2c line had become, with many people stating that they feared the misery line had returned. I found that incredibly frustrating, as I had put in so much hard work to fix the problem all those years ago. At that point I knew that it was absolutely essential that my constituents' voices were heard. They claimed that their concerns were being overlooked—the managing director was apparently not taking much notice of them and had not made any public journeys at peak times to see the situation for himself.

I do not have a team of people to deal with the sort of absolute torrent that I faced at the time. As we all know, as power has seeped away from this place, politicians now often seem to exist simply to be blamed for things; as the Member for Southend West, I found myself being blamed for the impact of the timetable changes. Now, I have never been a trainspotter or an expert in timetable changes, so I did not quite understand exactly what was going on. But I was left to fend for myself with all these constituents' problems.

It is no wonder that so many of them are still so displeased with the new timetable, when we look at the precise changes that have had an impact on the three stations serving my constituency. Trains servicing the stations in my constituency at peak travelling times now have fewer carriages, and almost all of them stop at every London station on the line. That is absolutely ridiculous, especially when we take into account the fact that c2c has reportedly recorded a 19% increase in evening peak travel and a 15% increase in traffic in the past three years.

It is clear why the commute has become a very unpleasant experience for my constituents. They tell me that at peak time they now face overcrowding. The trains are full before they depart from Fenchurch Street, yet there is the prospect of more passengers attempting to board at Limehouse, West Ham and Barking. I have been contacted about a number of issues caused by that overcrowding. It is important that I highlight the most serious problems that my constituents face.

I have been inundated with emails. I will not name the constituents—I will call them X. One says that he has given up emailing the MD of c2c

“as he seems to be fond only of providing glib comments or poor statistics...The May revisions”—

that is, the ones happening this month—

“do nothing to help the people to the east of Leigh-on-Sea...Even with the revised timetable I still lose 24 minutes a day...compared to my previous journeys, I am certainly no better off, and would

argue nobody east of Leigh-on-Sea benefits at all from the May revisions. The railway is being run for the benefit of those in the Barking/West Ham areas...I am not convinced the new trains promised for later this year will materialise”.

The next says:

“The timetable is now a total mess...No ‘clock-face’ pattern or consistency.

“Flagship’ trains like Leigh starters in the morning and the 16.58 down are withdrawn or wrecked by additional stops. Promises to local commuters broken.”

The next says:

“Paying in excess of £3,000 per annum for this privilege I fail to see how and why the service was changed, and after writing numerous emails to c2c complaining about the timetable changes, I have received no satisfactory response. Their last email to me advised me to contact the Ombudsman.

How could they not see the damage they would do by changing a timetable which, in my view, worked perfectly, and served commuters down the line more than adequately. Extra stops and fewer coaches, packed trains, no guards, the list is endless...The new timetable has returned us to the days of the Misery Line.”

The next one asks why c2c is discriminating against commuters from Chalkwell to Shoebury:

“Why don't we have any fast trains in the morning between 6-7am”—

well, I do not know—

“why are they stopping every station? The overcrowding is horrendous—daily—why? Because they stop everywhere!...How can they justify journey time increase from 45 mins to almost an hour?...Why are c2c favouring East London?”

It goes on and on.

One commuter stated:

“I have used this line since 1964 and commuted between the early 1980s and 2007. Until the new timetable, I have never had any issue with c2c's service”.

He pointed out some of the problems:

“18:00-19:00 capacity to Leigh reduced by 39%...7x 8-car trains having Leigh station calls removed between 17:00-19:00...Unacceptable tiny 4-car ‘off peak Tilbury loop’ size trains on the main line evening peak”.

I do not mean this as an argument against the constituency of my hon. Friend the Member for Thurrock (Jackie Doyle-Price). The same commuter continued:

“The Leigh service is now further reduced to just 44 carriages (the 18.04 increased to 12-cars from 8, but 18.13 reduced to 4-car from 8, 18.58 8-car withdrawn with 4-car 18.49 added).”

As you see, Madam Deputy Speaker, my constituents go into fine detail about this, although I am not an expert in any of it.

Another constituent stated:

“Commuters from Leigh-on-Sea are not able reliably to jump on a train in the evening...Previously, semi-fast trains used to take 38 minutes whereas now the fastest train to Leigh-on-Sea is 46 minutes. c2c continue to run four coaches...c2c is running the new Metro trains down the line”,

which is having disastrous effects. In reply, c2c said:

“a good timetable is about the operator keeping up with its reputation of good performance. From Day One we will be making sure it works. We value our customers, and are providing a service for all.”

As my constituent said, however:

“I am afraid that the recent timetables changes have failed to maintain the sentiments in this statement”.

Another constituent said:

“Although I understand that the Minister for railways has agreed to waive the contractual obligation for more trains to stop at London connecting stations, c2c services continue to stop at more stations and it is us long distance commuters who suffer as we experience crowded trains.”

She mentioned the contract to purchase more rolling stock, and said that yet again c2c is

“looking after the ‘local’ travellers and not the Southend areas commuters.”

Another constituent says:

“I no longer believe that the service is being run for my benefit...The additional London stops are unnecessary....very few people from south Essex get on or off at Barking or Upminster....c2c’s communications have been poor.”

Yet another says:

“In the AM peak, the number of trains servicing all the stations...has reduced...The changes on 16 May have absolutely NO effect for any commuter from Shoebury-Leigh on an ‘am’ peak service! In fact, the ONLY changes to Essex stations is that Benfleet has actually lost one train but West Horndon have gained two extra trains!”

I do not want to seem at odds with my parliamentary colleagues, for whom I have the greatest affection, and this should not be about one constituency against another. I am simply saying that I was not warned that these timetable changes would have an adverse impact on my constituents.

Within the first few months of this new timetable, a number of people have been taken ill owing to the cramped conditions. That is not something that just affects the unfortunate individual; it is also a cause of delay for trains that many people are relying on to get them to work on time. Pregnant women are unable to get a seat as there simply is not enough room for them to reach one once everyone has crammed on to the train and filled the gangways of the carriages. People have been unable to board and leave trains owing to the sheer volume of people, and that has even led to aggressive behaviour among passengers.

So how has the Member of Parliament for Southend West reacted to all this? Any Member who kept quiet about these issues would be failing in their duty. I did not want to be involved in this hoo-ha, but it all stems from 13 December. All I have done is represent the concerns of constituents about changes to the service. I felt that it was my duty not to be an apologist for c2c, but to represent my constituents’ concerns. As I have said, I have had, and continue to receive, lots of emails. Until Christmas last year, however, I had received absolutely no emails from constituents with complaints about the service, and no one said that trains should stop at Barking and Limehouse. No one said we had a huge increase in passengers and a crisis of numbers—not one word.

I do not like being misled, as I feel I have been by National Express, so I took great exception to the letter I received from the Conservative party chairman. During my time as a Member of the House, we have had many Conservative party chairmen. They are transitory in that role. The party chairman is not my boss. This particular chairman has done a fantastic job, raising an awful lot of money for our party. Someone wrote to me and said: “David, do you realise that the reason that National Express are trying to silence you is that they are big party donors to the Conservative party?” I certainly was not aware of that, so my office looked at the accounts. Apparently, in 2014 National Express gave £4,000 to the Conservative party and £2,500 to the Labour party nationally. It is having it both ways, but I do not regard those donations as in any sense tainting National Express’s views on the line.

The current chairman of National Express has only been chairman since 2013. I had a great regard for him and what he did with the Olympic stadium. He did a splendid job—I had the privilege of the chairing the London Olympic Games and Paralympic Games (Amendment) Bill Committee. However, I think National Express has got its PR slightly wrong. If I were the chairman, I would have said, “Get on the phone to the Member of Parliament and have a word.” I would not have written a letter to the party chairman. What was the party chairman supposed to do about it? It was absolutely ridiculous and it left a bad taste in my mouth.

I have raised the issue many times at business questions. The chairman of National Express has had a response to the letter he sent to the party chairman, although I have never seen the letter. The managing director of c2c sent me a letter last month. I am not suggesting that this Adjournment debate has triggered a huge amount of activity—it would be wrong of me to suggest that—but I am absolutely delighted with all that activity. I have since had a good meeting with the manager of c2c. He said he wants to work with me—there has never been any problem with his working with me and he knows where I am. The BBC radio interview was very unfortunate and childish. My hon. Friend the Minister absolutely insisted that all Members of Parliament affected by the line should be told at the same time about what is happening with the future timetable changes and rolling stock, but I was the only Member of Parliament who was not told. That was absolutely pathetic—I have the transcript of that radio interview.

Anyway, I want to draw a line under that. Personally, I have not suffered as a result of the timetable changes. I tend to avoid the peak commuting hours and usually return to Southend after midnight, so I have a comfortable journey and no complaints at all. I praise all the staff at Westcliff-on-Sea, Chalkwell and Leigh-on-Sea stations. They do an absolutely fantastic job.

I know my hon. Friend the Minister has no control over this but the quiet zone, which I always travel in, is a bit of a joke—not everyone can be hard of hearing. The ridiculous noisy mobile phone conversations one has to listen to in the quiet zone are really annoying. She will recall that at our meeting I shared with her the impact of football supporters’ disappointing bad behaviour on the train that day. I was very embarrassed about it, and it was frightening for some of the commuters. It was unfortunate that there seemed to be no one there to deal with the situation. Ironically, the very evening after the meeting with the Minister, there was an incident—resulting from football again—and we were stuck at Leigh-on-Sea station for half an hour while the person involved was taken off the train.

The following week, there was absolute chaos on the lines, which always makes one a little irritated. I got on the tube to Tower Hill, then to Liverpool Street station where I was told the trains were running, but then I was told to go back to Barking. In fact, there had been a tragedy. The train had just pulled out of Barking station when the train driver collapsed and died—an absolute tragedy for the family, and I know that Members will want to express their deep sympathy to the train driver’s friends and family.

My other current annoyance is the building works between Tower Hill and Fenchurch Street station. For nearly a year, a building has been re-developed, resulting

[*Sir David Amess*]

in commuters having to navigate their foot passage between Fenchurch Street and Tower Hill. It is an absolute disgrace, and no apology has been offered. The City of London Corporation and Tower Hamlets Council keep sending this backwards and forwards, while not a thing is done about it. It will be a war of attrition until the work is actually completed. I think that commuters are owed an apology—not from the Minister, but from the people who are developing this new property.

In conclusion, we are told that there will be further timetable changes this month and more rolling stock. Well, let us see exactly how that turns out. As the House has heard, my constituents have lost faith in National Express and c2c, and I am not absolutely sure why commuters who are served by Leigh-on-Sea, Chalkwell and Westcliff stations should celebrate these changes to a service that is slowly promising to go back to what it was before 13 December, when it was a happy line. I was contacted by *Which?* today with a briefing on the Consumer Rights Act 2015, but I shall write to the Minister about that. It concerns the Government's indication that they will further exempt the rail industry from certain provisions of the Consumer Rights Act until October 2017, including section 57 relating to liability.

Let me now use the dreadful expression “lessons learned”. My hon. Friend the Member for Rochford and Southend East has already raised this with the Minister. He is very keen for all trains on the c2c line to take less than hour—hence his “Shoebury to Fenchurch Street in less than 60 minutes” campaign. I certainly support him in that. It means sacrificing some punctuality for greater speed. My hon. Friend wants c2c to remove the metro branding, because Southend is neither metropolitan nor part of the London metropolis, and he also wants new stock and small changes to the timetable, which would be welcome. He feels that the Government should call for further action if that does not work. Most of the constituents of my right hon. Friend the Member for Rayleigh and Wickford, whom I feel sure will be in his place before the debate finishes, catch the train at Leigh-on-Sea, and I know that he supports me in all that I have shared with the House this evening.

The lesson I have learned is that I cannot take at face value what c2c and National Express have told me. The lesson they should learn is not to make an enemy of my good self, because I can be someone's worst enemy and best friend. One of my many failures is that I remember everything and bear grudges—it is a terrible thing to admit! I have said, however, that I am prepared to draw a line under what has happened since 13 December and start afresh on this journey.

The Minister knows that I am an optimist. That is how I have managed to survive in this place for 33 years, and I will keep fighting until I see the service restored for my constituents. I hope that there will be a brighter future not only for c2c commuters, but for Greater Anglia line commuters, too.

4.59 pm

The Parliamentary Under-Secretary of State for Transport (Claire Perry): Before I kick off—I know that we have until 7 pm, but I have no intention of detaining the House for as long as that—let me offer my heartfelt

thanks to the House staff, and, indeed, to the Whips Office. The House was dealing with a very complicated piece of business, but thanks to plenty of clock watching and organisation, we arrived in the Chamber bang on time, like the best-run trains.

I am pleased to see the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Rochford and Southend East (James Duddridge), sitting on the Bench beside me. He will not be able to speak, because of his ministerial position, but he has left me in no doubt of his views. My hon. Friend the Member for Thurrock (Jackie Doyle-Price) has also been in touch with me many times about this line, along with others.

It has been a real pleasure to listen to my hon. Friend the Member for Southend West (Sir David Amess), both today and on occasions when he has raised other issues. It is always important for us to listen and learn from experience and history, and he has left us in no doubt about his long-term commitment to improving rail services for his constituents, as well as about his disappointment that the service changes have caused so much disruption. I am always happy to listen to him, and I admire his ongoing optimism, which is a good thing to have in this place.

Like many other Members who use this line—and I should, of course, also mention my hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe)—my hon. Friend the Member for Southend West has been very vocal about the timetable changes that were introduced by c2c in December. He was, however, an equally vocal supporter of c2c during the turnaround of what had been the misery line. Although I do not believe in revisiting history, I think that it would be helpful for me to explain, very briefly, how we got to where we are, and then talk about where we are going, because I too want us to move forward with complete confidence.

Of course, we no longer have nationalised railways, as we did when my hon. Friend became a Parliamentary Private Secretary in the Department, and that, I believe, is one of the reasons why the railways have been successful. We pull slightly different levers now. We do not get British Rail operators and managers in so that we can beat them up, because there are those different levers in our contracts, and, of course, we listen carefully to the customers who, ultimately, are paying for the services. We rely on highly skilled train operators to respond to the changing needs of their customers.

There had been big improvements in performance on the c2c lines, along with enormous growth. In five years, 15% more passengers had travelled on c2c trains. However, there had been no timetable changes for more than a decade. I think it is always right to ask operators to try to change their timetables in order to benefit those who use their services. Proposals were made by c2c in response—a strong response—to the heartfelt cases made by passengers who wanted to get on or off at Barking and West Ham, but also in response to the fact that those stations were, and are, among the most crowded in the network, and to the need for more connectivity.

The new timetable had some benefits, and it was supposed to benefit my hon. Friend's constituents. The number of seats on trains from Westcliff that reached Fenchurch Street between 8 am and 9 am should have increased by 12%. Indeed, the number of seats on trains arriving at Fenchurch Street from Leigh-on-Sea did

increase by a sizeable 53%, because so many trains were starting from there rather than arriving already laden. However, there were what could almost be termed unintended consequences. Clever London commuters began to realise that they could use those trains rather than trains on the District line.

I want the train companies to take people in and out of the metropolis, especially the many who are paying a great deal of money for their season tickets. I do not want those lines to be substitutes for existing tube lines, which, incidentally, is not very economical, because, I understand, only the tube fare is reimbursed. However, it is never entirely possible to predict what passengers are going to do, and, as was clear to my officials and me, and indeed to c2c, overcrowding rapidly became a problem on peak-time services. People who had been able to get seats for many years were now having to stand, and we saw some really uncomfortable overcrowding.

I think that people had been led to expect better from the line, because the percentage of passenger satisfaction, which 10 years ago was a meagre 63, has gone up into the 90s. It is the best performing rail passenger franchise in terms of passenger satisfaction, and it is up there in terms of punctuality. c2c has also been very innovative. It has introduced automatic compensation, for example, and per-minute compensation for delays. So if you sign up for its key card, it will automatically reimburse you at a rate of 3p per minute if your train arrives more than two minutes late. That is the kind of thing we want to see across the network.

It was therefore an unexpected negative that we suddenly had this crowding, and the question was: what were we going to do about it? I could not call everyone in and give them a talking to, but we had to get the company to respond. In fact, it wanted to respond very quickly, and there was an immediate adjustment to the timetable. My hon. Friend the member for Southend West was kind enough to bring in some of his constituents to talk to me, and one of the questions they asked was how we know how many people are getting on and off the trains. c2c actually has monitoring technology and it knows exactly how many people are on each train. This means that it can flex and adjust the trains quite quickly to deal with crowding. It immediately changed the timetable, lengthened some of the trains and reduced some of the stops. It tried to improve the capacity on the fast services, which are the most crowded. Understandably, people will always choose to travel on the fast services even if there are seats available on the slightly slower services either side of them.

So some changes happened immediately, but we wanted that to be just the start. As my hon. Friend has pointed out, there was a contractual obligation in relation to the timetable for 95% of the stops to involve stations such as Barking. Working with my excellent officials, I said to c2c, “We just want you to sort this out for your customers. If you need to come back to us and propose that that limit should go, that will be absolutely fine.” So another series of stopping changes will be happening this week, on 15 May. At the moment, 98% of the evening services departing from Fenchurch Street stop at Barking, but that will drop by almost a quarter to 76%.

The aim is to get people who are going to Barking by train back on to the tube. In that way, they would no longer be occupying seats for two or three stops and forcing long-distance commuters from my hon. Friend’s

constituency—and, indeed, from my hon. Friend the Member for Rochford and Southend East’s constituency—to stand. We are already seeing those adjustments. There will be another timetable change later this year, and the operator will continue to monitor the situation. I know that my hon. Friend is interested in this, and he will be able to see almost hour-by-hour crowding charts for these trains to show what the impact has been.

As my hon. Friend the Member for Southend West rightly said, we do not want to rob Peter to pay Paul. There is a whole series of constituencies along this line, and we expect the operators to work closely with the local MPs and local authorities to ensure that they are delivering the best possible service. Sometimes there will be tensions involved, depending on where trains start and finish and where they stop along the way. However, I completely understand his request for faster services. There is infrastructure work going on, and I agree with him that Shoebury in 60 minutes would be a great thing, but that would require some other timetable changes which could be difficult to deal with in the round. However, that is the right aspiration to have. So there will be further timetable changes, and I want to leave the House in no doubt of my absolute commitment to getting this right. This is a really good operator and I think that, up until last Christmas, most of the constituents represented by Members in the House today would have agreed with that.

We then asked the operator to go further and to provide new rolling stock. It is clear that one of the problems is that it simply does not have enough trains. It immediately went out and sourced new rolling stock, and 24 new carriages will come into operation progressively over the next few months. That might not sound like a lot, but they will provide 13,000 extra seats at peak times every week. An additional 32 carriages are being procured and will be introduced after October 2019. That means that, by 2024, the new franchise will have 68 additional new vehicles in service along the route. That might not be enough—we don’t know. Growth on the railway continues to exceed all expectations. It is a wonderful thing that people choose to travel by rail, but we need constantly to monitor these organisations to ensure they are delivering.

My hon. Friend raised an important point about the company’s engagement. I know that he feels let down by some of the communication issues, and I am sure that no one wants that. However, c2c has committed to meeting passengers and to getting them involved in the timetable changes. It held a “meet the manager” event at Fenchurch Street station in November, and I understand that it was a robust meeting.

Sir David Amess: May I take my hon. Friend back to what she said about new rolling stock? Did she say “2019”? Will she tell the House whether the carriages will be built in this country and whether they will be arriving all at once or over a period?

Claire Perry: I am pleased to tell my hon. Friend that the trains will be British and built by Bombardier. Some of them are already under construction. They have been procured by one of the rolling stock companies for just this sort of thing and to try to add capacity wherever it was bid for. They will start to be introduced later this year, so relief is coming. The expectation is that the full fleet will be in operation by October 2019.

[*Claire Perry*]

As I said, the trains are being built by Bombardier in Derby, and the supply chain that that supports is absolutely immense. My hon. Friend's line does not yet have the space for them, but he may be interested to hear that the new high-speed intercity express trains, which will be running up and down the east and west coast mainlines, are now being built in Newton Aycliffe. For the first time in many years, the UK now has two train manufacturing sites, supporting hundreds of jobs directly and thousands of skilled jobs in the supply chain, which is incredibly exciting. The trains will provide relief and will be brand new, so customers will hopefully be able to see and feel the benefits.

I want to return to the consultations and the conversations that have been happening. I hope my hon. Friend will agree that the franchise management team has not been shy in talking to its customers. In fact, it has frequently consulted its customers on many issues.

Sir David Amess: I feel a little guilty that, when there was this—how can I put it?—gathering of people at Fenchurch Street station at the beginning of the year, it was not fully explained that it was a “meet the manager” event. I would not want to criticise the UKIP MEP who represents the area including the constituency of my hon. Friend the Member for Thurrock (Jackie Doyle-Price), but he seemed to take over the meeting, which was a bit unfortunate. Will the Minister share with the House any detail of what format future “meet the manager” meetings might take?

Claire Perry: Some politicians—my hon. Friend is not one of them—campaign on things about which they know nothing entirely to raise the temperature of the moment. I might say that the gentleman just referred to is an example of such a politician. The temperature was raised and I believe that there were shouts of, “Out! Out! Out!” First, that would be a terrible situation to be in. Secondly, if someone is trying to explain quite complicated changes that were made in good faith—I am not defending the management team here, but the changes were made in good faith in response to a new contract—then that is not a constructive atmosphere in which to have a conversation.

Sir David Amess: Our right hon. Friend the Member for Rayleigh and Wickford (Mr Francois) is anxious that his constituents are involved in “meet the manager” meetings. Does the Minister have any information to share with him? Will there be specific meetings for his constituents or will they be taking place in London?

Claire Perry: My hon. Friend pre-empts what I was about to say on the process. It is great to see my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois), who is also an assiduous campaigner, here on the Front Bench.

Interestingly, only some 9% of journeys are made by rail. That figure rises to 30% in the London area, and 70% of all rail journeys begin and end in London. Rail seems to have a disproportionate impact here; we all love our trains and we hate it when things go wrong, which is why I feel I am perhaps not the most popular but the most lobbied Minister. Everyone wants a piece of railway action.

My hon. Friend has invited me to comment on what the “meet the manager” schedule looks like, and I am happy to do so. The sessions are starting this month at London stations. In July, they will be going out to stations in mid-Essex, and finally they will be at stations in the Southend area in October. These are “meet the manager” questions; the intention is to explain what is happening, with the manager answering questions about the trains. All these events will be advertised a week in advance. My hope is that enough people can attend so that there can be a constructive conversation about the changes. I have to say that I do have confidence in this managerial team. I meet them frequently, as I do with all the franchise operators, and they have been particularly assiduous in recognising the problem and trying to solve it.

Let me say something about the West Ham football fan problem. All of us have seen the pictures, where football fans—or, indeed, rugby fans; we should not be “sportist” about this—have got on a train and behaved in a manner that can be described only as intimidating. I have experienced that, and I often find, as a woman on the network and a mother of two daughters, that it can be very concerning. West Ham is a Transport for London-operated station, so TfL has overall responsibility for operating the station, for security and for crowd control. On a match day, the British Transport police rightly look at the whole c2c route when constructing their plans and then share those with TfL, with c2c providing staff to TfL at West Ham station at busy times, including match days. The operation tends to focus on Barking, because it is the main station for the stadium. In addition, c2c provides roving security teams on board the affected trains, which is helpful. I was pleased to hear my hon. Friend tell us of his most recent experience, as it seems the fans were better behaved, or perhaps the team won—

Sir David Amess: Last night, we had a great victory. We were leading one-nil, then it was two-one to Manchester United and we ended up winning three-two—it was marvellous. The Minister will be aware that the station at Upton Park is tricky to manoeuvre through, and crowd control is difficult there. I just wonder whether she might factor into her ongoing discussions the fact that West Ham move to the Olympic stadium this September, which will mean a completely different route for the fans. They will be using the Greater Anglia route. Stratford is a huge international station, but will she consider putting together some sort of working party to see what the passenger experience will be for the new stadium? It has double the capacity, with the potential to hold 60,000 fans instead of 30,000.

Claire Perry: My hon. Friend raises a good point, and I hope my team in the Box are making assiduous notes about it. I had a meeting yesterday with my hon. Friend the Member for Bournemouth East (Mr Ellwood), as now that AFC Bournemouth have made it into the premiership, suddenly thousands more fans are going through Pokesdown station and there is a desire to see development work there. I have to put on the record the fact that I cannot let the right hon. Member for Leicester East (Keith Vaz) be the sole keeper of support for Leicester City. I have been a lifelong Foxes fan, and my brother, who is nearly 60 and so ought to know better, lives in a house called “The Foxes” and goes to every single match. The level of delight in my household when Leicester finally triumphed was something to be seen.

Christopher Pincher (Tamworth) (Con): I am grateful to my hon. Friend the Member for Southend West (Sir David Amess), a parliamentary neighbour, for securing this important Adjournment debate. I do not come from Southend, but one of my researchers does and so makes this trip regularly and understands the challenges that my hon. Friend, in securing this debate, has spoken about. Can the Minister confirm the importance, in whatever is done to improve train services to Southend, of British rolling stock being considered in that innovation and development, particularly those of Bombardier, which has a unit very close to my constituency? Trains to Southend are important. It may be that Chips Channon, the former Member, used to drive around in his Rolls-Royce and would come up to London in it, but many people, including my researcher, have to make the journey by train.

Claire Perry: I am delighted that my hon. Friend saw what we were discussing on the annunciator and rushed into the Chamber to make those points on behalf of his researcher. What is fascinating about working in the DFT is that many of our staff who commute by train sit around with their official hats on saying all the right things, but as soon as someone opens up a debate about what it was like at Victoria station or at another London station that morning, everyone surges back to reality and describes what it is actually like commuting on the network.

I am not sure whether my hon. Friend was in his place when we talked about the new rolling stock that will be coming into service on this line over the next few months. It is built by Bombardier, and part of it has already been procured by Porterbrook, one of the rolling stock companies. It is a very exciting development. I have visited Bombardier many times. In fact, I have driven a train on its test track. Not many Ministers can say that—actually, I am sure that every rail Minister has probably said the same thing. Bombardier is building the Crossrail fleet as well as the S-class trains—the new worm trains as we call them—that are currently running on the tube network. They are wonderful as they can clear a whole platform of many hundreds of people in a matter of moments.

What is exciting in all of this is that a single line, such as the one we are discussing today, encapsulates so much of what is going on across the whole rail network. First of all, we have unprecedented levels of passenger demand. Although people might wonder whether privatisation was the right thing to do—I do not think that—what we can say is that our railways have never been busier. At no time since the 1920s, pre-Beeching cuts, have we had so many passengers. Indeed, passenger numbers and journeys have doubled since privatisation, largely because of the energy, commitment and fair innovation of many of these private companies. My hon. Friends will recall from the pre-privatisation days that it was not this Mecca of wonderful customer service that people like to cook up. I used to take the line from university to home, and all we could get was a curled up old sandwich if we were lucky and there was no apology if we were late.

Let me mention the compensation scheme—hopefully, my hon. Friends' trains are never delayed, and so they never have to claim. I urge them to sign up for the automatic season ticket—the key card—because then they get compensation automatically. Our compensation

schemes are among the most generous in Europe. People always talk about compensation. Of course we want it to get to the right people, but let me explain the levels that we pay. A person will get 50% compensation if their train is delayed by 30 minutes and 100% compensation if it is delayed by 60 minutes.

Assiduous Members will have seen that, in our manifesto, we have a commitment to introducing compensation payments if the train is delayed by 15 minutes. I am happy to tell the House that we are working up that proposal. I am looking forward to announcing it as soon as permitted. It is an important development, because on many of these lines, where the journey time is not hours, but minutes, it will mean that we can all claim should the trains be late. [*Interruption.*] There is an awful lot of excellent dancing going on behind the Speaker's Chair. The aim of all our proposals is that we should not have delayed trains. We should have trains that run exactly to time.

Christopher Pincher: Quite rightly, the Minister says that we must not have late or delayed trains. Does she also agree that trains in Southend and elsewhere should not be overcrowded as well as delayed? One reason why trains are sometimes overcrowded is that fair prices rise rapidly or fall rapidly at certain times. Perhaps if we were able to look at a pricing mechanism that did not have these cliff-face increases or falls, we would be able to spread the load over the railways, rather than having a few people trying to crowd on to a few trains at specific times.

Claire Perry: My hon. Friend makes a very important point about pricing and fares. Of course people want to feel that they are getting value for money, but if I may again clock some of the great things that the Government have done for rail users, it is important to note that we have frozen rail fares for the duration of this Parliament at RPI plus zero. That is worth about £700 million to the fare-paying public and will save the average season ticket holder about £425 over the course of the Parliament.

My hon. Friend the Member for Tamworth (Christopher Pincher) makes an important point about peak and shoulder fares, as they are called. It seems that people either feel or are told by their employers that they have to get to work at a certain time, so that is when they travel. We could be far more creative and innovative in trying to get people off the peak and on to the shoulders by using pricing and, potentially, conversations with employers. What tends to happen in this country is that we buy lots and lots of trains to fill peak demand, and they run empty for large portions of the day. That is not an economic thing to do.

Sir David Amess: This is the last time I will intervene on my hon. Friend because the debate must end. We think of the film "Brief Encounter" and about how romantic the carriages used to be, with the leather strap one would pull down at the window and all of that, but she is absolutely right that we see these things through rose-coloured glasses. Before she finishes, can she give any indication of when the franchise decision for the Greater Anglia line will be taken?

Claire Perry: My hon. Friend invites me to comment, but all I can tell him is that it will happen shortly. Thanks to the changes to franchising that have been

[Claire Perry]

made in the Department, the level of customer-facing benefits, including new rolling stock, has never been higher. On that particular franchise, where it is absolutely right that we get rid of some of the outdated rolling stock and get some new trains, the score that a franchise bidder will get for new rolling stock has never been higher. I confidently expect, just as we saw with Northern, the TransPennine Express and Virgin East Coast, that we will see some great benefits for consumers.

I have been given the opportunity to have a full discussion about many of the positive things that are happening on the railways. I could carry on all night because I have so much more to say. I welcome the fact that, as we are all aware, we are not going back to the misery line. There have been unintended consequences

of some decisions that were taken in a genuine attempt to improve connectivity. There is an absolute commitment on the part of the operator and the Department to make sure that the changes are put in place, that new rolling stock comes in and that the constituents who have been represented so ably here today by my hon. Friends get the service they deserve.

The most refreshing thing I heard from my hon. Friend the Member for Southend West, who is an eternal optimist, is that we are all prepared to draw a line under the episode and start afresh, determined to deliver for our constituents. That is why we are all here.

Question put and agreed to.

5.27 pm

House adjourned.

Westminster Hall

Wednesday 11 May 2016

[GERAINT DAVIES *in the Chair*]

Domestic Violence Refuges

9.30 am

Julie Cooper (Burnley) (Lab): I beg to move,

That this House has considered Domestic Violence Refuges.

Domestic violence is violence or abuse inflicted in the home by one adult on another, often in the context of an intimate relationship. It may be psychological, physical, sexual, emotional or a combination of these. I acknowledge that men may also be victims, but I intend to focus today on domestic violence against women and the support that is available in refuges.

It is important to consider the scale of the problem. The Office for National Statistics revealed that in the last year domestic violence accounted for 16% of all violent crime and that 1.4 million women were victims. One in five children witnessed domestic violence and 62% of children living with domestic violence are directly harmed by the perpetrator, in addition to the harm caused by witnessing the abuse of others. Perhaps most shocking is the fact that two women are murdered in Britain every week by their partner or former partner. I am sure all hon. Members agree that that is appalling. These women need the Government's support.

The problem is not new. Back in 1874, Frances Power Cobbe wrote a paper, "Wife Torture in England". When the then Prime Minister, Benjamin Disraeli, read it, he apparently wept and promised there would be an inquiry. There was an inquiry, but the sad fact is that nothing of substance happened until 1971, when Erin Pizzey opened the first women's refuge.

Jenny Smith was an early beneficiary of Erin Pizzey's refuge in Chiswick. I was moved when I heard her speak recently of the abuse she endured at the hands of her mentally unstable husband. The early 1970s was a time when there was no law against marital rape in the UK, when a lone woman could not apply for a mortgage and when domestic violence was rarely mentioned. Jenny Smith endured vicious beatings, knifings, burns, bites and attempted drowning. One day, she saw a tiny newspaper ad with a phone number offering help. She plucked up the courage to call and within hours she had left her home in Hackney, east London, and was standing outside the women's refuge, an ordinary terraced house in west London, with her seven-month-old daughter on one arm and her 23-month-old at her side. She was safe.

Instead of receiving support, victims of domestic violence are often criticised. How often we have heard: "It's her own fault; she should have left him"? That is easy to say, but we must remember that, apart from the physical difficulty of escaping from a controlling, violent partner, women who have been abused, beaten and degraded have little confidence. Their self-esteem is at rock bottom. Sandra Horley, chief executive of Refuge, said:

"Domestic violence is one of the only crimes where it can feel like the victim is being punished, rather than the perpetrator. Even with the full force of the law in place, there are many cases when a woman is not safe in her own home and where her

ex-partner is determined to seek revenge. We know of women who have been too scared to leave their heavily locked homes to go to the shops, or who have sprinkler systems installed in case their former partner tries to burn the house down. They become prisoners. And when they do try to break free? We know of one woman who recently left her home to go to the shops, only to be followed by her abusive ex-partner. He viciously attacked and raped her to show that he was always watching; always in control."

Women's refuges play a crucial role. They are so much more than a roof over a head. Lives are transformed as specialist refuge workers support women to stay safe and access health services and legal advocacy, and provide immigration advice. Most important of all, refuges are safe places in anonymous, secret locations where women can be sure they will not be tracked down by a violent partner. Refuges provide an invaluable service for those who need it most. Without adequate refuge provision, women experiencing domestic violence will be faced with a stark choice: flee to live rough on the streets or remain with their abuser and risk further violence or even worse.

Earlier this year, the Under-Secretary of State for Women and Equalities and Family Justice, the hon. Member for Gosport (Caroline Dinenage), said in a written answer:

"Under this Government, there are more refuge places than ever before."—[*Official Report*, 8 March 2016; Vol. 607, c. 130W.]

The hon. Lady is mistaken. Under this Conservative Government, 17% of refuges have been forced to close because of funding cuts. Erin Pizzey said recently:

"The closing down of refuges over the last two years is a source of great worry for me. The majority of women coming into my refuge needed long-term therapeutic care with their children".

Despite two women being killed every week by domestic violence in our country, unprecedented funding cuts to local authorities mean refuges are being closed one by one, ending essential services that provide victims of domestic violence with a safe space, support, healthcare and everything else needed to rebuild a life shattered by abuse.

The amount of money allocated to women's refuges is not ring-fenced or protected by the Government. Instead, the majority of funding comes from local authorities. As they have been subject to drastic cuts, cash-strapped councils have been forced to close many refuges. Despite their life-or-death importance, refuges are often one of the first front-line services to go. In addition to the places that have been shut down altogether, many have been radically cut, with new time limits on length of stay. Research by Women's Aid shows that 30% of the 145 domestic violence services asked said they expected to get 30% less funding than last year and a shocking 17% said they did not know whether they would get any local authority funding at all.

On top of that, 48% of 167 domestic violence services in England said they were running services without any funding. Devon has been particularly badly hit by cuts and there are no refuges left. In my area, Lancashire County Council needs to save a further £262 million over the next four years, so it will no longer provide funding for the non-statutory part of the Supporting People budget. This funding is essential if we are to retain Lancashire's nine refuges, which provide a lifeline for victims of domestic abuse across the county. In my constituency, 1,530 domestic abuse incidents were reported to the police in the last year. Many of the women admitted to the refuge were assessed to be at high risk of

[Julie Cooper]

serious harm or homicide. When they escaped, they brought their babies, children and young people with them.

Even before the latest round of funding cuts, demand for refuge accommodation far outstripped supply. At this time, when all the evidence shows that we need more refuges, Government funding cuts are forcing them to close. It is a fact that without long-term sustainable funding many more refuges will close and others will be forced to make experienced, trained staff redundant. Consequently, they will become little more than hostels. This is another worrying outcome. According to Women's Aid:

"The tendency towards funding generic rather than specialist domestic violence services will result in the loss of 35 years of acquired expertise in relation to domestic violence."

Currently, fewer than one in 10 local authorities run specialist domestic violence services and 32 of the domestic violence services that have closed since 2010 were specialist services for black and minority ethnic women. The closure of these services is dangerous for all women, particularly those who rely on specialist domestic violence services, such as women of colour or trans women.

Escaping domestic violence is a traumatising and emotional process. These women have specific needs that are often not catered for by generic domestic violence services. It is vital that when an abused woman tries to escape from her abuser, she has somewhere to go. Many of the refuges that remain open have been forced to reduce their capacity, and Women's Aid reports that 6,337 of the 20,000-plus women looking for help at a refuge were turned away last year. The most dangerous point of an abusive relationship is when women try to leave. Before embarking on an escape, they need to know that they have somewhere to go, because being forced to return to their abuser is unthinkably dangerous.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Lady on obtaining the debate and pay tribute to Women's Aid, which does tremendous work in my constituency. Does she agree that one difficulty in the past has been the reporting of domestic violence, whether it be sexual or another type of violence? In my area, we found that domestic violence was not separated from social violence; the figures were not there. We have now managed to achieve that and are seeing the true figure, and I have seen a big increase in domestic violence in my constituency during the past 12 months. It is important that it is reported.

Julie Cooper: I thank the hon. Gentleman for his intervention. I totally agree: the first step to tackling domestic violence is ensuring that it is recognised and reported as such.

Another worrying effect of the funding cuts is that many local authorities are introducing local connection rules, meaning that only local women can access support. When refuges are not permitted to take women from outside their area, women whose safety depends on their putting distance between themselves and the world of their abuser have nowhere to go.

The Government actions to cut local authority budgets mean that there is no longer any sustainable funding for women's refuges. The Government's actions are shamefully

irresponsible. In March 2015, the Government provided £10 million for domestic violence services to support the national network of specialist refuges and, in December 2015, a further £3 million of funding for domestic violence support. That additional emergency funding for specialist domestic violence services was welcomed, but it is no substitute for the provision of long-term, sustainable funding.

I am pleased that the Under-Secretary of State for the Home Department, the hon. Member for Staffordshire Moorlands (Karen Bradley), has confirmed, in answer to a question from me, that the Government intend to provide

"£80 million of dedicated funding up to 2020 to tackle violence against women and girls. This funding will provide core support for refuges and other accommodation-based services, a network of rape support centres and national helplines".

I was also pleased to hear that in April 2017 a new violence against women and girls service transformation fund will be introduced. That fund will

"support local programmes which encourage new approaches that incorporate early intervention, establish and embed the best ways to help victims and their families, and prevent perpetrators from re-offending."

The Minister said that the criteria for applications to the fund

"will be published in due course."

That announcement raises more questions than it answers. When exactly will the application process open? When will the criteria be announced? How much of that funding will refuges be able to access? Will the funds made available be enough to prevent any more closures? Does the Minister here today know how urgent the situation is? Is he mindful of the fact that two women are murdered every day? Many of the refuges are the difference between life and death and they are set to close. Without clearly defined, sustainable funding, other refuges will be forced to shed staff—staff who already have the expertise to know the best ways to help victims.

I hope that in his response to the debate the Minister will provide answers to those important questions. I also hope that he will let the Chancellor of the Exchequer know that at the end of every cut he makes to local authorities, there is a woman who will die, avoidably, at the hands of a man who once promised to love her. Cuts to public spending are creating orphans who could have grown up with parents. I beg the Minister to ensure that this Government do not unravel 40 years of good work. I beg him to listen and to act without delay.

Several hon. Members rose—

Geraint Davies (in the Chair): Order. This is obviously an enormously important subject that concerns people's lives and deaths. A large number of hon. Members—10—have applied to speak. I therefore ask them to confine their remarks to five minutes. I hope to start calling the Front-Bench spokespersons at half-past 10.

9.44 am

Jess Phillips (Birmingham, Yardley) (Lab): It is a pleasure to serve under your chairship, Mr Davies.

I rise to speak about only one thing—the need for an exemption for women's refuges from the rules surrounding the reduction in housing benefit. The Government are

kicking the can down the road for now—in fact, they have kicked the can down the road every year for the past seven years, so they are saying, “Let’s keep on kicking it.” But in 2017, unless refuges are exempt from the reduction in housing benefit, there will be an enormous reduction in refuge beds across the country. Even if nothing else comes out of today and these weeks when we are talking about the Housing and Planning Bill and our benefit systems, I beg the Government to exempt refuges.

The money that the Minister will no doubt say at the end of the debate the Government are putting into refuges will be completely and utterly wasted and useless without housing benefit. As someone who has run 18 different women’s refuges, I know what a balance sheet for a refuge looks like, and I can tell the Minister what will happen without housing benefit. The £10 million was allocated well, as my hon. Friend the Member for Burnley (Julie Cooper) pointed out, and no one will criticise that allocation. However, I saw at least one third of the applications that went in, and I know that every single one had in its business plan that the sustainability of the refuge would be based entirely on housing benefit-plus. The Government signed off on a load of documents, agreeing the sustainability plans of organisations up and down the country, based on a premise that they were about to completely and utterly undo by reducing housing benefit.

It is complicated and difficult for people to understand what running a refuge actually looks like. The grants that the Government give are what we use to pay for staff. They are used to pay for a family support worker, who will enable a child to re-engage with a mother who has had no control over their relationship because her control has been completely stripped away by a perpetrator of violence. They allow key staff to give counselling and support to women who have been brutally raped, beaten, kept locked away and controlled to a degree that no one in this Chamber could ever imagine. That is what the grants from the Government pay for.

What pays for the nuts, the bolts, the beds, the buildings, the place where people live, their home, and their security is housing benefit. The reduction will directly and entirely damage what refuge providers use to pay for things such as CCTV, security support and all the extra stuff that people do not have in their house but might need if they have been ritually raped for the last six months of their life. That is what housing benefit pays for. I cannot say this with any more dramatic effect: half of the refuges that I ran, and half of the hundreds of beds that I used to manage at Sandwell Women’s Aid, would not be there without housing benefit. Already, 115 women and their children are turned away from refuges every single day in this country. Already this year, in 2016—it is only the beginning of May—46 women are dead.

I want almost nothing else; I just want to hear that the Government will permanently exempt refuges and support accommodation from universal credit, from the changes to housing benefit and from the rules on localisation. I am pleased to say that one of the women who lived in my refuge managed successfully, with the Child Poverty Action Group, to take the Government to court and win back her local support allowance for council tax benefit and local crisis money. She had been told that she was not allowed to have that because she had not lived in the area. She had lived in the neighbouring

borough, a metre over the border in Birmingham, but she did not have a local connection thanks to the delegation of rules. The Government did not give in. They were forced to by the courts.

Marie Rimmer (St Helens South and Whiston) (Lab): Does my hon. Friend agree that if the cuts go ahead, society picks up the cost elsewhere, including in health circles? Women and children turn up at A&E units, GPs dole out antidepressants, and there is the cost of counselling. There is a cost to children’s education, and future opportunities are lost. Families who move between bed and breakfasts or are in insecure homes end up in debt. There is a human cost, as children do not enjoy the love, support and parental guidance that so many of us take for granted. Without that guidance, they may well get into trouble. Does my hon. Friend agree that society will pick up a far bigger cost if the cuts go ahead?

Geraint Davies (in the Chair): Thank you for that short speech. Ms Phillips, could you begin to wind up?

Jess Phillips: I will. Not only do I agree with my hon. Friend the Member for St Helens South and Whiston (Marie Rimmer); it is a fact. We must do something and act sensibly by exempting refuges. We know it is going to be done, so we should just do it today so that refuges can look at their budgets for next year and not have to offer redundancy to brilliant staff—every single year, staff are put on notice. Let us allow refuges to thrive and to do the job that they are better at than we are.

Geraint Davies (in the Chair): I would like hon. Members to keep their speeches to less than five minutes—ideally four minutes. May I ask Jim Shannon to set the precedent we need?

9.51 am

Jim Shannon (Strangford) (DUP): I will attempt to keep within my five minutes, Mr Davies. I congratulate the hon. Member for Burnley (Julie Cooper) on securing the debate.

Domestic violence is a massive issue in Northern Ireland, as my hon. Friend the Member for Upper Bann (David Simpson) indicated. Refuges cater for women who are alone and for those with children. The length of stay depends on the needs of each woman and her children. Our refuges are run by and for women and children suffering domestic violence. We often remember the women, but we must remember their families and children as well.

There are currently 12 Women’s Aid refuges across Northern Ireland. They are modern and well appointed, and some have been purpose-built. Children’s workers plan an ongoing programme of play and social activities. I want the Minister to know how important the Women’s Aid refuges are across Northern Ireland, and indeed across the whole United Kingdom.

Many women stay in refuges more than once as part of a process of ending a relationship with an abusive partner. Refuge addresses are kept confidential to protect women’s safety, and women can choose whether to stay in a refuge close to their home or further away. The refuge that caters for women in North Down and Ards is well used, and I have referred many ladies to it.

[Jim Shannon]

Northern Ireland's 24-hour domestic and sexual violence helpline can help victims find suitable refuge accommodation to meet their specific needs, such as location, size of room, accessibility, children's requirements and so on. Some Women's Aid groups provide move-on houses, which we provide in Northern Ireland—I am sure it is done here on the mainland as well—as a temporary option for women and children who are preparing to move on from living in a refuge.

Domestic abuse is an incident of threatening behaviour or violence, which can be physical, sexual, psychological or financial. Sometimes the abuse comes in many of those forms—maybe all of them together. Every one of those types of behaviour can happen over a long period of time.

Mr Gregory Campbell (East Londonderry) (DUP): My hon. Friend is outlining a whole series of incidents, which we all recognise. Does he agree that the Minister and the Department need to give the courts a message to ensure that the perpetrators know that such activity is totally and utterly unacceptable? The courts need to crack down resolutely on the perpetrators.

Jim Shannon: As always, my hon. Friend brings an extra element to the debate. Yes, the courts need to be robust and hand out sentences that are appropriate given the harm that perpetrators have caused.

Age, gender, race and sexuality do not matter, nor does how much someone earns or where they come from; anyone can suffer abuse. Everyone has the right to live free from abuse and fear. Victims in Northern Ireland can contact the domestic violence helpline, a local refuge or other domestic abuse support services.

The Northern Domestic Violence Partnership is a multi-agency partnership of local organisations that provide services to victims of domestic violence and abuse. Collectively, the agencies involved are tasked by the regional steering group on domestic violence to translate the regional strategy into local actions. The NDVP has developed “The Bigger Picture”, a resource manual that outlines a range of activities and services available to support people living with domestic or sexual abuse in the Northern Health and Social Care Trust area. It provides the information that is needed when it is needed.

Although domestic violence mainly affects women, we must remember that men can be affected as well. They may be affected to a much lesser degree, but they are affected. There are more forms of domestic abuse than those that we might think of immediately. Financial abuse, for example, is a method of control by withholding finances, and it often involves a perpetrator withholding joint finances from a victim. That can leave victims hungry and isolated, and with restricted mobility, which adds up to a clear case of domestic violence.

Physical violence, although not necessarily the most common form of abuse, is the most commonly recognised form of domestic abuse. Some violent attacks can lead to victims going to hospital. Such physical activity can hurt, frighten, degrade or humiliate someone.

The organisations involved in providing refuges do fantastic work, using volunteers and donations from the public, which reflects the general public's desire for

refuge services to be fit for purpose. However, that should not take the onus off the Government to ensure refuges are given the maximum support. Despite the tight economic conditions, refuges and associated organisations must be given the support they deserve.

Several hon. Members rose—

Geraint Davies (in the Chair): Order. I am imposing a four-minute time limit.

9.56 am

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I pay tribute to my hon. Friend the Member for Burnley (Julie Cooper) for securing the debate, which means a lot to me personally.

I asked in business questions whether we could have a debate on funding for domestic violence refuges, simply because the hon. Member for Pendle (Andrew Stephenson) claimed in Prime Minister's questions that Lancashire County Council had closed down nine women's refuges, which I knew not to be the case. I was so concerned about that misrepresentation of the facts that I asked for a debate.

The response from the Leader of the House was disappointing. The gist of it was, “Well, you're a shadow Minister. You have contacts. Arrange your own debate.” It was a disappointing response and negated the whole point of business questions. However, I do have contacts and friends, and I am proud to stand here among my Labour colleagues and really pleased that my hon. Friend the Member for Burnley has brought the debate to the House.

I spoke to a contact of mine who is a Lancashire county councillor, who commented on the statement made by the hon. Member for Pendle, saying:

“It's a shameful exploitation of an awful case. Funding is being changed so it's more targeted. We have nine refuges and none will close. The Tories didn't have an issue with it at the budget.”

What has actually happened in Lancashire is that the Government have pulled the “Supporting People” money, which means that the grant to refuges has been reduced. The refuges are run by charities. The county council has plugged the gap for this year, but it is looking at other funding streams for next year to keep those vital services open. That is the reality.

When I was a councillor, I was a trustee of a women's domestic violence refuge service. I saw for myself what my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) pointed out—the hand-to-mouth existence of people in refuges where there is an over-reliance on volunteers. The problem is with paying staff wages at the end of the month, which my domestic violence service struggled to do a number of times.

Refuges are a vital service. I have come here to say just one thing: providing domestic violence services and refuges should be made a statutory duty for councils, and the money should be ring-fenced so that it does not get spent elsewhere. Domestic violence services save millions of pounds of costs to the police and the NHS. It is vital that the Government take action now, make providing domestic violence services a statutory duty for all councils, and fund them properly.

10 am

Anne McLaughlin (Glasgow North East) (SNP): I congratulate the hon. Member for Burnley (Julie Cooper) on securing this debate. In its 2014-15 annual report, the charity Refuge said that it assists more than 3,000 women and children on any given day throughout the UK, but how many women living in abusive situations do not or cannot get help? Ellie Hutchinson of Scottish Women's Aid said:

"We believe there are no hard to reach groups, only hard to reach services."

I will talk about two women who have found it not just hard to reach but impossible to access domestic violence services even when places are available, and even when—at least until 2017, as the hon. Member for Birmingham, Yardley (Jess Phillips) said—housing benefit is still available. Amy was subjected to systematic domestic violence over several years. Her husband saw her as his possession. She was his punching bag after a hard day at work. She finally contacted local authorities, charities and the police, but she was unable to get housing benefit. No one could help her escape, so she did not. Right now, she might be sitting at home with a burst lip, a bruised back and an eye she cannot see out of. Who knows? Nobody knows, and nobody can help her.

Janice was a prisoner at home, and she was psychologically, physically and verbally abused over a long period of time. She was told by her own family that she had made her bed and so she had better lie in it. She sought help once. She searched online and made secretive phone calls to plan ways to escape, all the time terrified that her husband would find out what she was up to, but she had to know who would take her and her children in when she could not access public funds and had no money of her own. The answer was nobody. Nobody could help her. The charities cannot exist on fresh air alone, which is all she had to give. Janice has now given up and has resigned herself to that life of torture.

Why have Amy and Janice had to remain in abusive marriages? Why are they not entitled to financial support to gain places in refuges? It is because Amy is not called "Amy"—her name is Zinia. And Janice is not called "Janice"—her name is Maryam. Those two women have one thing in common: their entitlement to stay in the UK is not settled. They are both entirely dependent on their abusive partner. They are not entitled to public funds without their partner's say so. Therefore, they are not entitled to housing benefit, and they are not entitled to escape violent situations at home, even if a refuge has a place for them. UK immigration laws do not permit refuges to help such women, for Zinia—or Amy—is an asylum seeker. She was advised by her lawyer that, unless she could prove beyond a shadow of a doubt that the abuse had occurred, it was "best not to mention it" and that it would likely affect her credibility when making an asylum claim in her own right, because the Home Office requires absolute proof.

If the Minister agrees that women's refuges in the UK should be available to all women, will he do as his ministerial colleague did in a previous Westminster Hall debate a couple of weeks ago and agree to make representations to colleagues in the Home Office so that domestic violence refuges can be available, at least in principle, to all victims, regardless of where they were born, and certainly not on the say so of their violent husbands whom they are fleeing?

10.3 am

Thangam Debbonaire (Bristol West) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I thank my hon. Friend the Member for Burnley (Julie Cooper) for bringing this issue to the House's attention. My experience before becoming a Member of Parliament was partly in music, but I also spent 26 years doing work on violence against women and girls. Today, I will specifically focus on one particular group of women, those involved in prostitution.

Some 80,000 people in this country, mostly women and girls, are involved in prostitution. Fifty per cent of them have been raped or sexually assaulted, and 95% of women in street prostitution have severe drug problems. Fifty per cent of off-street prostituted women are migrants, usually trafficked. Women in prostitution are 18 times more likely to be murdered than other women. They are also at risk from their partners—who are often, although not always, pimps—their pimps, their traffickers and their clients. They are frequently in and out of a criminal justice system that penalises them, rather than the men who abuse them. They are suffering from mental health difficulties, for which they are unable to get help, and their drug problems often go untreated.

There is a parallel with domestic violence. Women were often accused of staying with their abusive partners, of choosing the abuse, and they still are, as hon. Members have mentioned. Women who are both living with an abusive partner and suffering violence at work as a prostituted woman are also often accused of making a choice to be in that situation, which is focusing attention on the wrong place. We need to be focusing on the perpetrators, but to do that properly we need adequate support for women involved in prostitution.

Eaves, one of the few services in London that specialised in services for women involved in prostitution, has sadly had to close due to cuts to funding. In my constituency of Bristol West, One25 does lots of fantastic work to support, help and advise women involved in prostitution. It works in partnership with St Mungo's for women who are homeless, and it has a diverse source of funding to try to keep itself going, but like any other voluntary organisation, as my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) said, without core funding it is frequently unstable, which means that the women who need its help and support are at risk.

Such women have complex needs. They are hard to help, and they may often be difficult to engage, or just difficult, but that does not mean that they do not deserve our help and protection. What does it say about us as a country, and about our approach to gender equality, if we continue to allow women to be bought and sold, and then abused? At work, bakers are required to bake and bus drivers are required to drive a bus. If a woman involved in prostitution is told by her client or pimp to have sex or to do certain sexual acts that she does not want to do and is then forced to do them, she has been raped. There is simply no other job like that. It is not a job like any other; it is a job in which rape and sexual and physical assault are a daily, constant and present threat. There is no other job like it.

I would like to see the report on ending demand by the all-party parliamentary group on prostitution and the global sex trade to be seriously considered by the Government but, for today, I urge the Minister to

[Thangam Debbonaire]

consider funding for this specific group of women. We cannot allow them just to be left by the wayside. We cannot allow them and their children to be left unprotected. It is too important for that, and I beg the Minister to think seriously about this specific group of women.

10.7 am

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship, Mr Davies. I am pleased to take part in today's debate, and I pay tribute to the hon. Member for Burnley (Julie Cooper) for securing it. I have spoken in previous debates on violence against women, including on the role that men can play in ending violence against women. This is the first occasion on which I have been able to discuss in detail—four minutes' worth of detail, anyway—the support that is offered to survivors of domestic and sexual violence.

The point at which someone decides to leave a violent relationship is one of the most critical points in their life and in the lives of their children. It is vital that adequate support is available to everyone at the moment they decide to leave such a relationship. Often the availability of such support will be the deciding factor in whether the abused actually leaves their abuser.

In previous debates, I have debated the issue fairly and commended the UK Government, which is not easy for a Scottish nationalist, for the progress they have made in addressing domestic and sexual violence. The most pressing issue for refuges is the capping of the local housing allowance in the social sector. Let us give the Chancellor the benefit of the doubt. I do not believe he made the policy announcement during the spending review with a complete understanding of the consequences that capping would have on refuges. He has bought himself some time by delaying the introduction of the cap but, whether the consequences were unintended or otherwise, he must fix it now. The policy completely ignores the additional costs borne by our local refuge support centres.

The Scottish Government's Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, Alex Neil, categorically said in a letter to the UK Government:

“Without the existing levels of housing benefit to cover these costs, refuges will be forced to close.”

Refuges are vital services that must be protected. Not for the first time in his ideological austerity drive, the Chancellor has proved that he knows the cost of everything and the value of nothing, which is simply not good enough. I am keen to find out from the Minister what analysis, if any, the Government have carried out on the wider implications of this policy.

The last few years have been difficult and challenging for domestic abuse service providers who operate in England. According to Women's Aid, between 2010 and 2014 there was a 17% reduction in the number of refuges run by dedicated domestic abuse service providers and—shamefully—a third of all refuge referrals are turned away due to lack of capacity. The Government must ensure that capacity is built back up and that no one who is abused is turned away from the support that they seek.

One such group looking to add capacity in my neck of the woods—in Renfrewshire—is a newly formed charity called Jubilee House, which I was proud to help launch at an event late last year. The charity is currently converting a large property into a refuge for women and children, and I am very much looking forward to speaking at the Jubilee House charity gala in Erskine on 27 May: the last few tickets are still available.

It goes without saying that we all want to see violence against women eradicated from our society. The turnout for this debate shows the commitment that we all have to achieving that goal. In recent months, we have held numerous debates on this topic and we have all committed ourselves to working in partnership. However, an important feature of working together is to act as a critical friend, and I hope that my contribution to this debate will be taken in that manner. The Chancellor is making false choices, and in doing so he has failed to acknowledge the vital services that will be lost or eroded as a result of his decisions.

Refuges are used by women and children in their hour of need, when they are at their most vulnerable; indeed, if we cannot support those women and children, they may be trapped in violent and destructive relationships. I strongly urge the Government to reconsider their approach, and offer full protection for women and children by ensuring that supported accommodation, including refuges, is fully exempt from the housing benefit cap.

Geraint Davies (in the Chair): Thanks to the discipline shown by hon. Members, we can have an extra minute or so for each speech. Sorry about going back and forth, but I want to get everybody in.

10.11 am

Sarah Champion (Rotherham) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies, and I sincerely thank my hon. Friend the Member for Burnley (Julie Cooper) for securing this urgent and necessary debate.

The scale of relationship violence in the UK today is truly shocking. It is to all of our shame that violence against women and girls is still at endemic levels, but it is to this Government's shame that, despite their promises to protect women and girls, the very lifelines that many women rely on for safety and protection are disappearing from the map. A toxic combination of local authority cuts, the cap on housing benefit and the impact of local authority commissioning processes is creating a fragile and unsustainable women's sector.

The consequences of Government policies and inaction are stark. In 2014, almost a third of the women trying to access domestic violence services were turned away due to lack of space. One of my key concerns is about access to specialist provision, where the problem is even more acute. The damage already done to specialist services—those that support black and minority ethnic women, Jewish women or the lesbian, gay, bisexual and transgender community—is chilling. In the past 12 years, Imkaan, an organisation representing dedicated BME women's services, has estimated that 15 BME specialist services have closed. Now there are only 34 BME women's organisations that offer services to victims of violence. Between April 2014 and March 2015, 17 of Imkaan's

member organisations supported more than 21,000 women, and yet Imkaan says that 67% of its members face an uncertain future.

For Latin American Women's Aid, the only refuge of its kind in the UK, the situation is equally precarious. Between 2001 and 2011, the Latin American population in the UK grew fourfold and yet this organisation has lost its contract with Islington Council, which claimed that the service it provides was not necessary. In the short term, Latin American Women's Aid is keeping afloat through emergency funding supplied by the Department for Communities and Local Government, and I thank the Minister for that.

In my own constituency of Rotherham, Apna Haq, which has provided refuge and support for women and girls of Asian descent since 1994, lost its contract and funding from the council, and it is now fighting to survive.

Such dedicated services are vital for women. They are experts in their provision, designed and delivered by, and for, the users and communities they serve. This enables them to innovate rapidly to meet women's changing needs, for example recognising new forms of abuse, such as revenge porn and online harassment, long before the authorities do.

Mrs Helen Grant (Maidstone and The Weald) (Con): There are still a wide range of services to support women and a wide range of laws to protect women. However, does the hon. Lady agree that we still need to do much more on prevention of violence and on reducing the ongoing scepticism that women are met with when they report violence?

Sarah Champion: The hon. Member is absolutely right and I wish, with every bone in my body, that this Government would focus on prevention of all forms of violence and abuse, because all we are doing currently is dealing with the horrific outcomes of violence and abuse, rather than tackling them at source.

These specialist organisations are community-led. The women who seek shelter see themselves reflected in the staffing and the management of the services. Consequently, these organisations understand the dynamics of the abuse faced by the women in those communities and can tailor their services accordingly. As a result—and this is vital—specialist services are trusted by the women who use them. Their presence is known in the community, meaning that women will self-refer, enabling those women to leave a violent relationship because they know that support exists.

However, despite their necessary place in the sector, specialist services are at a distinct disadvantage to mainstream housing providers and women's organisations when it comes to commissioning. The application of a free market approach is not working, because—as a result of the tailored support that they provide within a specific community—specialist providers simply cannot compete with mainstream providers on cost. Existing commissioning criteria value cost per bed, not quality, trust or the ability to generate self-referrals. This approach is to the detriment of the sector, and ultimately to women's lives.

Will the Minister listen to the providers of those services when they tell him that the current system is failing BME women? Will he instruct local commissioners

to alter their commissioning criteria when awarding contracts, to emphasise the quality of provision? Will he ensure that local commissioning criteria include evidence of an organisation's track record, the ability to generate self-referrals, and the ability to innovate and tailor services to women's needs? Will he recommend to local commissioners that they do not always need to retender specialist support services?

If the Minister does not address the current instability in funding, he needs to recognise the dire consequences for existing specialist services. Currently, providers cannot guarantee security of employment for their staff for more than six months, and consequently they lose the very experts who are trusted by women seeking help. Instability of funding forces refuges to compete with other women's services, rather than working in partnership with such services for the benefit of the women they all serve. One-size-fits-all provision simply does not work for this country's most vulnerable people.

Will the Minister hear the call from specialist organisations for a single, national, ring-fenced budget for specialist BME women's and girls' services? Such a fund would guarantee that these services continue, and are led by and for the communities they serve. There is already a precedent for this, in the form of women's violence services that are supported through the nationally administered rape support fund.

Finally, the Government's ending violence against women and girls strategy, published in March 2016, mentions a 2015 review carried out by DCLG of domestic abuse services. The review indicated the increased pressures that specialist services are facing and the lack of provision for victims with the most complex needs. Can the Minister please make a commitment to publish that report?

10.17 am

Cat Smith (Lancaster and Fleetwood) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies, and it is a pleasure to speak in this debate, which was secured by my hon. Friend the Member for Burnley (Julie Cooper).

I should put on record the fact that I am a trustee of a charity, Empowerment, which has provided independent domestic violence advocacy services along the Fylde coast and across north Lancashire. I am also a long-time supporter of the Women's Aid charity, having spent many years fundraising for Lancaster and District Women's Aid by putting on performances of plays such as "The Vagina Monologues", where women come together to talk about women's lives and their bodies, and to raise money for those sisters who are fleeing violence.

That is an important point to make, because the funding for women's refuges comes from three main sources. Yes, it comes from the rent that the women pay, but there is also charitable income—raised by people like me many others across the country, who either drop some coins into a charity box, do fundraising fun runs or put on performances of "The Vagina Monologues"—and local government funding, which has been under particular strain recently.

Every year, around 12,000 women and their children use refuge services, so nobody can say that their lives have not been affected by domestic violence—if someone thinks there is nobody in their life who is affected by domestic violence, perhaps the people affected are just

[Cat Smith]

not telling them, because domestic violence is very difficult to talk about. That is why these services are absolutely critical and why it pains me that, on one day in 2014, 112 women and their 84 children were turned away from refuges because there were not enough spaces for them. When two women a week are killed by a partner or former partner, we are talking about a crisis and one that, frankly, is only getting worse.

I want to raise the capping of housing benefit to the rate of the local housing allowance in the social sector, because it is having a crushing effect on the funding for our women's refuges. The money from housing benefit is the secure funding that the refuges know they can receive and rely on in a very insecure world. The capping policy will have an impact on refuges, which use the housing benefit claimed by their clients to cover their rent and service costs, because delivering women's refuge services is not cheap.

These are specialist services. The independent domestic violence advisers will support a woman and her children to come out of domestic violence and to rebuild their lives, a point that other speakers have highlighted. In response to written questions, Ministers have confirmed that they do not have basic information about the number of people in supported housing claiming housing benefit. We need to find that out, because the impact of the Government's decisions is crushing the support offered by women's refuges.

I am disappointed that the hon. Member for Pendle (Andrew Stephenson) is not in his place, because he has been talking quite a bit in the press about women's refuges in my county of Lancashire. I would like to tell him that no council, whatever its political colour, would choose to cut support for women fleeing violence. All parties know that women need these services. I honestly believe that all councils, whatever their colour, want to deliver these services, but we are seeing huge cuts. In Lancashire, we are expected to make another £262 million of savings over the next four years. These services are not statutory, and we have to deliver the statutory services, so there comes a point where women's refuges are taking the hit. One third of all local authority-funded domestic violence services had been cut by 2012.

Given that the last women's refuge in Cumbria closed its doors in March and 46 women have already died this year, we know that we need to be doing far more to support women's refuges. We need more women's refuges, not fewer. I implore the Minister to look again, particularly at the housing benefit changes, and to exempt refuges.

10.21 am

Dr Rupa Huq (Ealing Central and Acton) (Lab): I echo the numerous powerful speeches that we have heard in this debate, which began with the compelling contribution of my hon. Friend the Member for Burnley (Julie Cooper). Supported housing, including young people's foyers, is for the vulnerable—people in receipt of mental health services, the homeless, and victims of domestic violence—but it is important to remember that sometimes people are in more than one of those categories. We have heard the statistics about two women being killed every week, which means one every three days. The British crime survey says that one in four

women will suffer domestic violence in their lifetime—8% in any given year—but the point was also made about unreported cases, because this goes on behind closed doors. We have public policy initiatives to encourage people to report incidents of domestic violence, yet we are cutting all the support services. It makes no sense. These are people who need support, not clobbering.

We have a new Mayor of London, so I am optimistic, but on the watch of the hon. Member for Uxbridge and South Ruislip (Boris Johnson) we have seen two out of every three women turned away from London refuges. That is for reasons of capacity, before we even get into the whole “no recourse to public funds” debate. Week after week, I see women and children in my surgery who present themselves—victims of domestic violence who have been unable to access any kind of safe housing. There is no option of a specialist refuge, so it may be an uncertain bed and breakfast—that is, if they have recourse to public funds—or it may be the street.

I want briefly to raise the work of Southall Black Sisters, which is outside my constituency boundary. It has been involved in many landmark cases that have changed the law. A well known example is that of Kiranjit Ahluwalia, whose conviction for murdering her husband in 1989 after 10 years of sustained abuse was eventually quashed in 1992. It was a case of diminished responsibility; it was retried and led to a film with the Bollywood actress Aishwarya Rai called “Provoked”—the case hinged on provocation.

As has been said, the point about geography—when people are told, “You're in the wrong borough; you can't access these services”—is already stymying these services. Southall Black Sisters goes further than it says on the tin: it has helped people outside the borough of Ealing—the case I have referred to was from Crawley in Sussex.

Another, similar case that Southall Black Sisters took on was that of Zoora Shah, who originally came from Bradford. She poisoned her husband while under enormous duress—depression and sustained domestic violence to her and her kid for many years. I am a member of the Select Committee on Justice, so I know that individuals find the legal system difficult, costly, protracted and adversarial. Legal aid is becoming scarcer and scarcer, so the support services that come with the refuges are absolutely vital in this day and age.

The caps on housing benefit, cutting rents in social housing—all these things are having a cumulative effect. In my constituency, we have a YMCA foyer, which my hon. Friend the Member for Ealing North (Stephen Pound) and I opened with great fanfare. It will have to close its doors because it is not getting the rising rents that its whole business plan is based on. My hon. Friend the Member for Birmingham, Yardley (Jess Phillips) put it very well when she talked about the cumulative effect of all these crazy policies that pick on the most vulnerable in society. It is ill-advised, costly, crude and nothing short of cruel.

These services are now condemned to closure. Only the month before last, we celebrated International Women's Day in this place. The Minister needs to reverse the cuts to allow women to live with dignity. That is all we are asking. How can any Government allow such a state of affairs to continue, relentlessly pursuing these swingeing cuts that are decimating support services for women suffering domestic violence? Opposition Members have

made the case for ring-fencing and statutory obligations so that funding is protected. We also need the abolition of “no recourse to public funds”, whereby, someone’s legal status means they are not allowed to access services. That straitjacket should not apply. It is a moral case, if nothing else.

We have seen U-turns on a range of Government policies. Just in the last week—on the day I asked a question about it at International Development questions—a U-turn on child refugees was announced. We had a debate about education in London, and everyone was talking about the idiocy of the forced academisation programme; two days later, that had gone. Let us hope that history repeats itself. The Minister is a reasonable man, and he must listen. This issue must be next on the list.

Geraint Davies (in the Chair): We are doing well on time, all of a sudden. We have more than 30 minutes. If the Opposition Spokespeople can keep within 10 minutes, there will be more time for interventions on the Minister—we want democratic accountability—and perhaps for Julie Cooper to wind up.

10.27 am

Angela Crawley (Lanark and Hamilton East) (SNP): If that was not an incentive to speed up and allow the Minister plenty of time, I do not know what is. First, I congratulate the hon. Member for Burnley (Julie Cooper) on securing the debate, which gives us a chance to discuss something that we have discussed many times in the Chamber, but we have not yet got to the nub of the issue.

First, I thank Women’s Aid and Scottish Women’s Aid for providing the briefings that have supported the valuable contributions and experience of many of the Members who have spoken today. The fact is that while there are on occasion men who suffer from domestic violence, the majority of the vulnerable individuals who access these services are women and children.

At the most vulnerable time in her life, no woman would choose to go a refuge, leaving her home with no belongings to go into a situation that was unfamiliar and completely alien for her and her children. It is not a desirable situation or outcome, and it needs vital funding. I echo the sentiments of the hon. Lady. She made a heartfelt contribution and made serious comments about the risks of the lack of funding. Ultimately, that will result in the degradation of these services’ ability to truly meet the needs and requirements of these vulnerable individuals.

The hon. Member for Birmingham, Yardley (Jess Phillips) always makes the most powerful contributions on these matters, and I would not expect any less from her. My hon. Friend the Member for Glasgow North East (Anne McLaughlin) contributed valid points about how the issue affects all women. Asylum seekers are victims too. Irrespective of nationality, women need support. I hope the Minister will seriously consider that.

The one point I want to make in this debate—it is the only one that really needs to be made—is about the exemption for local authority housing and the impact it could have on the ability to provide services. Refuges are an important space to assist women escaping terrible,

violent situations. There is no way to put into words the experiences of these women. The services they will receive at the front door from that staff member are all down to the necessary funding, whatever the mechanism is. Refuges provide a safety net for women escaping physical and sexual violence, and we must ensure that the Tories’ austerity measures do not destroy those vital support systems.

Cuts to vital services leave people in crisis. Having left everything behind, women are under more strain than ever before—more than we can ever imagine. Ultimately, it is the staff who receive the women who have to worry about the funding shortfalls and making their own ends meet at the end of the month. That is another point I want to raise: the real cost is not only to the victims of violence, but to the staff who deliver the services. The women and men who provide the services also have livelihoods, families and children and they also have to put food on the table. The Government’s constant cuts mean that many of the people delivering such vital services will never be able to fully meet their own needs because of funding ambitions and meeting one funding aim to another. Housing benefit provides them with that vital staple that allows them to deliver those services.

Natalie McGarry (Glasgow East) (Ind): The hon. Lady is making a valuable point about the uncertainty for staff. That is something we really have to consider, because the levels of stress on staff members who work in these vital services cannot be overestimated. The lottery of funding and the stress of having to put in funding application after funding application to shrinking pots has to be taken into serious consideration.

Angela Crawley: Absolutely. I know at first hand that many of the women who work in these services—it is predominantly women who work in such services—are the ones who struggle to make ends meet and put food on the table, as well as to support the women who need their vital support. If the Government intend to continue to cut, cut, cut, at what point will they focus on the big-picture politics and look at where those cuts are starting to take away from other budgets in other places? Local authorities—local government in Scotland is devolved—need funding to support services.

In Scotland, we have invested an additional £11.8 million as part of the SNP Government’s equality budget for 2015-16, with £2.4 million of that budget allocated to ensure that court cases involving domestic violence are seen to and £1.85 million awarded to Rape Crisis Scotland over three years to allow it to expand its advocacy services across the country. The Scottish Government are committed to addressing such concerns.

Various points have been made about the increase in reporting, which are valid points. Reporting is essential and an increase is always to be encouraged. However, the process of justice and the process of getting to that point is so far removed from the reality that still too many women will remain in homes, in unsafe situations, because the funding is not there. If the funding is not there, the services cannot do outreach and make sure that those women can leave their terrible situations.

I am proud of the work done by my colleagues in Edinburgh. The hard work done by Women’s Aid and other organisations across the UK is a vital support that is needed in crisis. The Government must surely

[Angela Crawley]

listen to the calls from every Member who has spoken today. I call on the Minister to seriously consider making refuges exempt from the housing benefit caps. I join colleagues in calling for the much needed funding to protect services across local authorities and for the Minister to commit to funding domestic violence services at all costs.

10.33 am

Teresa Pearce (Erith and Thamesmead) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. You have presided over a disciplined debate with a clear purpose: to question the effectiveness of the policies that the Government are pursuing and to alert the Minister to what I hope are the unintended consequences of the policies as we all understand them.

I begin by paying tribute to all those who work or have worked in refuges for their incredible work under extremely challenging circumstances. Their work is literally a lifeline. I also want to speak to every woman who may be listening to this debate who is at risk of violence or abuse. I offer them our solidarity and assure them that they are at the forefront of our minds today and all days.

I congratulate my hon. Friend the Member for Burnley (Julie Cooper) on securing the debate. She gave us a timely reminder of the history of women's refuges. My hon. Friend the Member for Rotherham (Sarah Champion) spoke about specialist domestic violence services, especially BME services. The issues we are considering today are incredibly important, and the debate speaks to why I and many other Members in the room are in politics. We came into politics to stand up for the people who need our support and to help women, children and the vulnerable when they go through some of the most difficult challenges that any of us could imagine. We are in politics to give voice to the voiceless.

All women facing violence should have a place to go. If the Government's changes go forward, they will be faced with having no place to go. They will need refuge and there will be no refuge. How we support women when they need refuge—when they are escaping violence and abuse and trying to help themselves and their children—tells us a lot about the sort of society we are and the sort of Government we have. The Prime Minister has set a similar test for society. He said before the election that a good society looks after its vulnerable members, but the Government's crude cuts to housing benefit mean they are on course to fail their own test. Vulnerable women, children and men will have no place to go; they will not be looked after.

Academics at the University of Lancaster have produced research arguing:

"Substantial reductions in national budgets are leading to cuts in local services to prevent and protect against gender-based violence against women and girls."

Although the services to protect women from violence are provided at local level, the budgets to fund services and the nature of the commissioning processes are largely set at national level. No cuts should be carried out that lead to a loss of vital housing support, such as temporary refuges.

We have heard today about the statistics, but behind each statistic—each cold number—are lives destroyed, futures destroyed, and sometimes deaths. We have heard how families in every constituency are affected. We have heard stories from Heywood and Middleton, Ealing, Lancaster and Bristol West, and from across Scotland and Northern Ireland. I thank the two male Members here today, the hon. Members for Strangford (Jim Shannon) and for Paisley and Renfrewshire North (Gavin Newlands), because these debates are often dominated by females, which they should not be.

Although the Government have done some very positive things, they are in danger of failing; the money they have put in will be worthless if the refuges are not there for people to go to. One of the key aspects of any policy on protecting women must be the proper funding of refuge shelters so that they are available for any woman going through an acute crisis.

Violence against women and girls is never acceptable—we all know that—but in Britain today it is far too common. We have heard harrowing details during today's debate that reinforce the need to fight to keep refuges open. We heard testimony—as powerful as ever—from my hon. Friend the Member for Birmingham, Yardley (Jess Phillips), and we heard that the Government's housing benefit cap will have a significant harmful effect on supported housing and women's refuges. In the 2015 spending review, the Government announced that housing benefit would be capped at the local housing allowance rate in the social sector. The majority of supported housing tenants depend on housing benefit to cover the cost of their housing, and the application of that cap would have a significant impact on the most vulnerable residents in our communities.

The policy will have an impact on refuges, which use housing benefit claimed by their clients to cover their rental and services. The effects of the change will be stark. The cap could see refuges losing much of their income each week and raises the question of whether they will remain viable and open on an ongoing basis.

The Government recently announced a 12-month delay in their proposal to bring supported housing rents in line with local housing allowance, meaning that new tenancies from 2017 will be affected from 2018. I believe the delay has come about because the Government have realised that there is a problem. The cut in housing benefit must be halted at least until the full facts are known. Ministers have admitted that those facts are unknown at the moment. Specialist housing for vulnerable tenants is generally more expensive to run because of its tenants' support needs, so higher rents are charged, which are often met by housing benefit. The Government have made no exception for this type of accommodation in their plans to cut housing benefit support for social tenants.

In answer to a question on women's refuges asked by my hon. Friend the Member for Sheffield Central (Paul Blomfield), the Minister said that the Government are

"committed to making sure that no victim of domestic abuse is turned away from the support they need."—[*Official Report*, 15 October 2015; Vol. 600, c. 487.]

However, that does not correlate with what Women's Aid is reporting. It says that nearly a third of all referrals to refuges are being declined because of lack of space. No woman should be turned away at the point of

need, and no child should have to go back to an abusive parent, but it is happening. A third of all referrals are being declined.

In the summer 2015 Budget, the Government announced a £3.2 million fund to boost the provision of services for victims of domestic violence, including refuges. Of course we welcomed that, but it is not enough. By implication, the new fund suggests that the Government understand the importance of refuges, but as Women's Aid points out, that money will cover only short-run costs, when what is needed is long-term national funding to guarantee security. The Government's new strategy for stopping violence against women could fail because of cuts.

There is an important role for the commissioning process in domestic violence services. Local commissioners should be instructed to ensure that they are taking the right commissioning decisions for women. In an area as sensitive as domestic violence services, a premium must be allowed for ensuring high-quality services. The women and children involved require nothing less. This debate is an opportunity to scrutinise current policy. I urge the Government to think again and roll back the changes that have already been made and suspend any others in the pipeline. Capping housing benefit in the social sector at the relevant local housing allowance will put women fleeing domestic violence at risk. Women are most at risk when they try to leave. At that point, the danger could be fatal.

The Government should carry out a full impact assessment—I believe they have not yet done so—of the effects of the proposed changes, and of any other options they consider. They must consult charities, housing associations, local authorities and the women who know. Organisations know their clients and the effects that the benefit cuts will have. The consultation should set out the knock-on costs for refuges, and Ministers should set out the arrangements that are in place and their arguments in support of their measures, because we have not heard why they are introducing them. We have seen neither the impact assessment nor the evidence. The cut in housing benefit must be halted, at least until the full facts are known. Will the Minister do that to help protect some of the most vulnerable members of our society?

I have a few questions for the Minister. In a fairly recent debate on cuts to local housing allowance, I asked the Minister for Housing and Planning, the hon. Member for Great Yarmouth (Brandon Lewis), several questions to which he could not respond at the time. I have since written to him; will the Minister remind him that my letter remains unanswered?

Will the Minister commit to a full impact assessment? How many people does he expect to be affected when housing benefit for tenants in supported housing is capped? Finally, will the Minister take this opportunity to commit to making women's refuges exempt from any changes to housing benefit?

Geraint Davies (in the Chair): We have heard from 11 Back Benchers and two Front Benchers, and there have been four interventions, and we still have 15 minutes for the Minister. There is time for interventions and for Julie Cooper to have a minute to sum up.

10.43 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): It is a pleasure to serve under your chairmanship,

Mr Davies. I congratulate the hon. Member for Burnley (Julie Cooper) on securing this important debate, to which I am pleased to respond. I have listened with great interest to hon. Members and am heartened by the passion that these critical services rightly inspire among them.

This debate follows the March publication of the Government's ending violence against women and girls strategy, which has at its heart the principles that no one should live in fear of abuse; no victim of domestic violence or abuse should be turned away from the support that she needs; earlier intervention should be made so that fewer women reach crisis point; and that we must ensure that preventing violence against women and girls is everybody's business.

We want to end violence against women in all its forms. That requires action to prevent abuse from the outset—as has been said by several hon. Members—so we need a range of services to support women who are experiencing abuse and to support women at immediate risk of serious harm, or even death. Our goal is simple: that no woman is turned away from the support she needs. All our efforts are focused on achieving that. As many hon. Members have said, refuges are a lifeline that provides a route from fear and violence to safety and independence. While driving early intervention to stop abuse, we must also ensure that the support women need at crisis point is available.

Anne McLaughlin: When the Minister says that no woman will be turned away, does he mean no woman? Does that mean that all women should be entitled to these services? If he agrees that they should, will he do as I asked earlier and make representations to the Home Office and the Home Secretary that they look at changing the anomaly of women who are excluded because of their insecure immigration status? I do not think the Home Secretary intended that.

Mr Jones: I can now cross the hon. Lady off my list of Members to whom I shall refer later in my speech. Yes, I will do as she requested and raise that point with the Home Office.

Although it is for local areas to make decisions on support for women who are experiencing abuse, we want to work with local commissioners of services to deliver a secure future for refuges. We know that local partnerships are working hard to deliver vital services, and I commend the work done by people in refuges up and down the country. The best areas have convened excellent partnerships to inform local service delivery. They have clear strategies and pooled budgets to get the most for their money.

We want to bring all areas in the country up to the level of the best, which is why we will publish a national statement of expectations on the provision of services to tackle violence against women and girls. We are going to provide support for commissioners and funding to help local areas to achieve those expectations. The national statement of expectations will set a framework for effective local commissioning, reinforcing the need to bring local service providers together, plan on the basis of local need, and be clear about accountability for service delivery.

Mrs Helen Grant: I am sure my hon. Friend the Minister knows that, tragically, one in four girls—some as young as 14—are hit by their boyfriends. In addition

[Mrs Helen Grant]

to all the other good work that the Government are doing, does he agree that that we need to talk to girls much more about respecting themselves and others, and about gender equality and empowerment?

Mr Jones: I thank my hon. Friend for that intervention and absolutely agree with her. One hears about many situations in which, unfortunately, young girls are exploited by young males and peer pressure is put on them. We should be absolutely resolute in our opposition to that and about informing young girls that they should absolutely be able to say no without fear. My hon. Friend makes a really important point.

Sarah Champion: Will the Minister give way?

Mr Jones: I will in just a second.

Sarah Champion: Just on that exact point.

Mr Jones: Yes, okay, I am persuaded.

Sarah Champion: The Minister is very kind. I just want to add something that I think he really wanted to say: it is also about making sure that every boy grows up knowing about respect, consent and empathy. It is not just a girl issue, and I know the Minister wanted to say that.

Mr Jones: I completely agree. The hon. Lady and I might not agree on lots of things in this House, but we fully agree on that issue. It is not just the responsibility of girls to know when they should say no; it is absolutely the responsibility of young males to respect girls and use that respect in a dignified way so they do not put young girls under pressure to do things that they do not want to do.

Angela Crawley: Will the Minister give way?

Mr Jones: I will give way once more on that point.

Angela Crawley: I thank the Minister for giving way, given that my speaking time was so reduced. The point about female empowerment and the importance of educating young girls and teaching young boys about respecting women and girls is well made. To come back to the point of the debate—I am sure the Minister is going to do so—what are the Government planning to do to make these refuges exempt from the reduction in housing benefit and to ensure that they can remain open? I just want to keep the debate on track.

Mr Jones: I assure the hon. Lady that I anticipated that that issue might come up. It is already written in my speech, and I will explain the Government's position in a few moments.

As I was saying, planning for local need must take account of the needs of all women in our local communities, including those from black and minority ethnic backgrounds, those from isolated communities and those with complex needs. It should also take account of the need for women and children to move from one area to another to build safe and independent lives. That point has been made by a number of hon. Members. It is absolutely wrong that services are not provided for

women who need to move from one area to another when they seek refuge and safe haven from the situation they are in.

Although that approach needs time to work, we must act if it does not deliver a transformation in service provision, so we will review what we are doing after two years. We are developing the national statement with service providers and commissioners to ensure that it reflects their significant expertise. To answer the hon. Member for Burnley, we hope to publish it very soon.

We understand that meeting the expectations that we are setting will be very challenging, so it is vital that local areas are funded to meet those standards and to provide the critical bedrock of specialist accommodation-based support. We will launch a two-year fund to help local areas put in place the reforms needed to meet the national statement and to support the provision of accommodation-based services. We secured £40 million in the spending review to support victims of domestic abuse. That builds on the £10 million of funding for strengthening the provision of safe accommodation in the previous spending review period and the £3.5 million fund to support the provision of domestic violence services in 2015.

We invited bids for that funding. There was interest from across the country, and 46 successful bids were announced in December 2015. We hope that there will be a similar degree of interest in the upcoming funding. To answer the question asked by the hon. Member for Burnley, we hope to open that fund very, very soon.

Jess Phillips: Is the Minister aware that the funds he is talking about, which were allocated in December 2015, had to be spent by March 2016? As always with these rounds of 10 million quid here and 10 million quid there, there is no eye on the future. It is short-termist, and if anything it provides work, not help, for women's refuges.

Mr Jones: I thank the hon. Lady for that intervention. I know from her speech that she has significant experience of this area. To give her a bit more assurance, the funding that we are putting out is to cover a two-year period, which gives more time in the way that she mentioned.

I want to talk about a subject that many hon. Members mentioned—the future of refuges and the supported housing sector. My Department and the Department for Work and Pensions commissioned a major evidence review of supported housing to give a better picture of its scope, scale and cost. It will report shortly, and we will continue to work with and listen to providers to develop a long-term, sustainable funding regime for this sector.

Teresa Pearce: Will the Minister expand on what “shortly” means? Is it like when the Whips say, “Vote shortly”? When the Government say “shortly”, it can sometimes mean quite a long time. Is it weeks or months? What is it?

Mr Jones: We all do what the Whips tell us when they say “shortly”. I will have to leave the hon. Lady with the word “shortly”, but I assure her that we take this issue very seriously and that we will come forward with a long-term, sustainable funding regime. We have been

absolutely clear that we want the most vulnerable to be supported through the welfare reforms, so we are deferring the application of the local housing allowance cap to supported housing for an additional year so we have more time to get this right.

At the start of my speech, I said that we want to make ending violence against women and girls everyone's business. The Government have to lead by example. The Department for Communities and Local Government is working with the Home Office, the Department of Health, the Cabinet Office and the Treasury to ensure that no woman is turned away from the help that she needs. The point that the hon. Member for Bristol West (Thangam Debbonaire) made is very important. We are certainly looking at that across the relevant Departments to ensure that no woman in the position that she mentioned is turned away.

We rely on the knowledge, the expertise and the critical friendship of many organisations. We are talking to the providers of refuges and services for the survivors of domestic abuse as we develop our policy. We are also talking to the Local Government Association and local authorities to understand how we can support their work. I sincerely hope that together we can all seize the opportunity to make a real difference to the lives of women living in fear of abuse.

Jess Phillips Will the Minister give way?

Mr Jones: That is the end of my speech.

Jess Phillips He successfully did not mention housing benefit once.

Mr Jones: I did.

10.57 am

Julie Cooper: I am grateful to all Members who took part in this powerful debate on a truly shocking subject. I hope the Minister and the Government are as shocked by the issues as we all are, and I hope we can focus on the facts. The Minister talked about the national statement of expectation, which I welcome, but I hope that the expectation is that all women in this country—and I mean all women—who need access to a refuge will know that they have that access.

Let me remind the Minister of the Government's record to date: 17% of refuges have closed since they came to office as a direct result of Government policies such as cuts to local authority funding and changes to housing benefit. I hope the Minister will cease to think that short-term funding pots are the answer. To ensure that women are safe and to give them the resources they need, we need long-term, sustainable funding. If he were only to reverse the changes to local authority funding and council tax and make statutory funding of women's refuges a requirement in all authorities, that would be significant progress.

As I said at the beginning, this is not a new problem but an age-old problem, and I hope the Government have the courage to make it a problem of the past. As my hon. Friend the Member for Ealing Central and Acton (Dr Huq) said, they must not keep clobbering the most vulnerable of women.

Question put and agreed to.

Resolved,

That this House has considered Domestic Violence Refuges.

Organised Sporting Events: Charges

11 am

Jack Lopresti (Filton and Bradley Stoke) (Con): I beg to move,

That this House has considered powers of local government to charge for organised sporting events.

I have called the debate mainly to highlight an ongoing dispute between Stoke Gifford parish council in my constituency and Parkrun Ltd. It has now developed into a much bigger issue to do with the freedom, authority and ability of directly elected local councils to charge for organised sporting events in their parks and recreational areas. The other question is what actually constitutes an organised sporting event.

The dispute has led to the intervention of the Secretary of State for Communities and Local Government, who threatened—in a letter to the chairman of the parish council, Councillor Ernie Brown, who is present in the Public Gallery—to consider the use of legislation to stop Stoke Gifford parish council charging for organised sporting events in its park. In the autumn, I was contacted by a small number of local residents, and I passed their concerns on to the parish council, mindful of the fact that, ultimately, this is a matter for directly elected parish councillors.

I want to say that, obviously, I fully support and understand the aims of Parkrun Ltd as an admirable organisation for getting people to do exercise. The fact that a small, local community idea, which started in Teddington, now provides organised runs every weekend in 850 locations and 12 countries throughout the world is fantastic. I understand that UK Parkrun Ltd attracts a large number of runners, with some 395 events every Saturday and Sunday. That is clearly great.

Let me set the scene. Little Stoke park is used regularly by about 3,000 people for organised sporting events, including 12 regular football teams, 12 occasional football teams, four rugby teams, tag rugby league and Australian rules football, and it provides a 3G all-weather football pitch. Little Stoke park has a significant number of other, diverse user groups, amounting to about 1,000 people, who access the existing community hall facilities on a regular basis, and the venue also accommodates occasional bookings, which include the likes of children's birthday parties and other one-off events. The general public have access to a range of other facilities on the site, including a BMX track, a Jurassic park and a children's play area.

In recent years, the average income generated from pitch and hall hire at Little Stoke park has been approximately £35,000 per year. Over that time, there has been considerable investment in the site's large car park, of £55,000; in parks machinery, of £90,000; and in a large section of path, which has been converted into a pedestrian and cycle route and incorporates solar lighting in the ground to enhance the safety of park users. Furthermore, the construction costs of a 4 metre-wide path on one side of the park were £140,000, while the 3G pitch was also enhanced at a cost of £52,000 during the same period. That all shows me that we are talking about a sensible and responsible parish council, which is making sure that its park is well managed, with good outdoor facilities that can continue to be used well into the future.

In the past three years, the parish council has welcomed Parkrun, but weekend runs organised by it had begun to dominate the park, with up to 300 runners arriving every weekend. The park is just over 30 acres and has 120 car parking spaces for visitors, but all the parking spaces are filled by the Parkrun runners on Saturday and Sunday mornings.

Mrs Helen Grant (Maidstone and The Weald) (Con): I hear what my hon. Friend has to say, but does he also agree that sport and, in particular, Parkrun have a really important role to play in bringing people from different backgrounds together, and bringing communities and women together—a lot of women enjoy a park run, with the camaraderie of other women? Obviously, there are cost issues, but does he not think that such activities should be encouraged, rather than discouraged?

Jack Lopresti: I am not, of course, seeking to discourage any such activities. As I said in my opening remarks, I appreciate fully what Parkrun does and is trying to achieve, and the benefits of that. The debate is about the ability of a local council to raise money for the maintenance of its facilities, and about what constitutes an organised sporting event, which I will come to later in my remarks.

The parish council is not seeking a large amount from Parkrun Ltd—a contribution that would have equated to less than a pound a runner, put towards the maintenance and possible future enhancement of the facilities. The chairman of the parish council, Ernie Brown, even offered to apply for a grant for Parkrun—all Parkrun had to do was to ask him officially, but it has not done so. The parish council has also made it clear that the dispute is not about charging individual runners—just as it would not charge individuals who go for walks, or runs—but only about charging for regular organised events.

Andrea Jenkyns (Morley and Outwood) (Con): I am one of the vice-presidents of the Local Government Association, and I chair the all-party group on local democracy. That is on behalf of the National Association of Local Councils, which represents 7,000 town and parish councils. I can understand what my hon. Friend's parish council is going through. The Government talk about devolution and more local powers, so I am shocked that we have to have this debate, to be honest, especially as the council had gone to so much trouble even to get Parkrun involved and to help it apply for grants. How can we talk about devolving powers more locally, only for the Government to stick their nose in? How can that be right?

Jack Lopresti: My hon. Friend is absolutely right. What we are talking about flies completely in the face of localism and the devolution agenda; a sledgehammer is being used to crack a nut, on an issue that should not be a matter for the Secretary of State or any national Department—this is a local matter.

The point is, with up to 300 people turning up every Saturday and Sunday, and stewards organising and timing the runs, the event is most definitely an organised one. I run regularly in the Bristol half-marathon and the Bradley Stoke 10 km, both of which it is worth noting that I pay for—I accept that, because they are organised

sporting events. This year, I know that the Bristol half costs £38, because I entered it in the past few days. Moreover, when my daughter, Sophie, as a teenager, played football for Stoke Lane Ladies at that very park, all the players had to pay £2.50 per game per week, to contribute to the maintenance of the park and its facilities. She has now gone to play rugby in America, while she is studying at university, which I am hugely proud of.

The fact that Parkrun refuses to make a contribution, on principle, to the park for its events means that other local groups and organisations are beginning to question why they have to make a contribution, when Parkrun clearly does not. It is important to note that Parkrun in the UK is a limited company, and not a registered charity. Parkrun only publishes abbreviated accounts, so we cannot see whether it pays its directors or any staff—I have heard it does, but I cannot confirm that. Perhaps the Minister can help us with that in his remarks.

Parkrun has numerous sponsors and supporters for which the full sponsorship details—how much and in return for what—are also not noted in the accounts. Sponsors listed on the website include Fitbit, Intersport, Alzheimer's Research UK and VitalityHealth. The supporters listed include the London Marathon, the mobile phone company Three, and Muckle LLP, a law firm.

People have made the point that Parkrun Ltd events are organised by local volunteers. That is great, but we must never forget that Stoke Gifford parish council are volunteers who work tirelessly for their local community, as do other volunteers who run many other organised sporting events in the park and make a financial contribution to its upkeep. Incidentally, Parkrun's website has a shop link on it from which sales are made on behalf of Wiggle Ltd.

I am not against Parkrun making profit and paying staff. I do, however, object to the argument that it should have the right to use Little Stoke park for free for organised events that dominate the park when all other local organisations have to pay to do so. The pressure that some of the Parkrun lobby have put on our democratically elected parish councillors has been appalling: they have received an influx of aggressive emails from non-constituents, 50 freedom of information requests and letters with threats of changes to the law from the Secretary of State. Parkrun has also threatened a judicial review, which would be massively expensive for a small parish council to fight and a further waste of local taxpayers' money. I have been told, and I take this seriously, that some local councillors feel that a hate campaign is being waged against them.

I would like to highlight some of the legislation referred to in the letters between the Secretary of State and Stoke Gifford parish council. Parish councils have the right to charge for organised sporting events under section 19 of the Local Government (Miscellaneous Provisions) Act 1976, which gives local authorities the powers to provide various recreational facilities, including "premises for the use of clubs or societies having athletic, social or recreational objects".

The Act gives the local authority the power to provide those facilities

"either without charge or on payment of such charges as the authority thinks fit."

The Secretary of State mentioned in a letter that, under section 151 of the Local Government and Housing Act 1989, he has general powers to make regulations to amend or revoke any pre-existing powers for the local authority to charge. However, having looked into that with the House of Commons Library, I see that section 152 of the 1989 Act, which defines the relevant authorities that section 151 refers to, does not include parish councils, which suggests that the Secretary of State cannot do that. Recent legislation that the Secretary of State and I voted on in the Localism Act 2011 allows local authorities the power of competence

"to do anything that individuals generally may do."

Under that power, section 3 of the Act has provisions regarding charging, which, as far as I can see, the parish council meets.

None of that has been tested in a court of law, and hopefully the Secretary of State would not like to embark on an expensive legal battle with a small parish council. Stoke Gifford parish council's decision to charge Parkrun for the use of its local park is not a matter for central Government and that should remain the case. The truth of the matter is that Parkrun Ltd, however admirable, has become a victim of its own success: it has now reached a size that overwhelms local facilities, so—like other sporting organisations—it needs to make a contribution to the facilities it uses. I do not want to discourage runners—being one myself, I fully appreciate the benefits of keeping fit—but Parkrun Ltd is no longer a small voluntary group; it is an organisation with nearly a million users registered on its website.

I am sure the Secretary of State agrees that we want people to be realistic about the actual cost of running local services and we want to promote the localism agenda by giving local representatives the power to run their facilities on behalf of local people as they deem fit. The Government have stated their commitment to devolving greater powers to local authorities, but an exception seems to be made when the local parish council does something that Secretary of State does not agree with.

11.13 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones):

I am grateful to my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) for providing us with the opportunity to have this important debate. The debate is useful and timely: as the days grow longer and we get warmer weather—over the weekend we thought we were going to get some, but that seems to have changed—more and more people will be using their local parks and green spaces for organised or spontaneous events as groups or as individuals. Local parks are, of course, community assets and it is important that local authorities, as the stewards of those assets, maintain them for communities to use. We have a long tradition of free use of public parks, but—as I shall shortly set out—it is appropriate that, in the right circumstances, local authorities are able to charge for the use of specific facilities in those public parks.

We should acknowledge the importance of our public parks and green spaces. They are places where one can exercise, relax and enjoy being part of a community or find peace and solitude in a busy world. They are also

[*Mr Marcus Jones*]

places of ever-changing beauty, where the march of the seasons is marked by growth, bloom and falling leaves. Our parks and green spaces are certainly good for the soul and good for the body.

This is an Olympic year and, with our elite athletes heading to Rio for the Olympics and Paralympics in August and September, we should not be surprised if, inspired by what I am sure will be the golden glories of Team GB, young people—and those who perhaps are not so young—are inspired to demonstrate their own athletic abilities. The place many will head to for that is their local park.

The local park is a natural venue for exercise and sport and it always has been. For generations, our parks have played host to countless local sporting triumphs as they are transformed, for a short time, from parkland to hallowed turf. Our parks and green spaces are therefore not just vital community assets but special places where, for many, memories are made. I freely acknowledge that proper maintenance of those community assets rightly requires investment and financial commitment from local authorities.

There is no problem with local authorities using parks to raise revenue. They legitimately charge for a variety of events and specific activities that take place in their local parks.

Jack Lopresti: May I be clear that Stoke Gifford parish council is not looking specifically to raise revenue from Parkrun Ltd? It is looking for a contribution to maintain existing facilities—it is not a profit-making exercise.

Mr Jones: I will come on to what we believe it is or is not reasonable for people to pay for. I understand my hon. Friend's point that the parish council, in anything it charges for, may simply be looking to cover maintenance costs and so on rather than to raise revenue to put into the coffers for revenue's sake.

It is appropriate for the public to pay a reasonable sum for the exclusive use of a facility such as a tennis court or a football pitch or for shared use of a facility such as a golf course. It is also appropriate for charges to be made for special or seasonal events such as outdoor concerts or other ticketed events that generate a profit for the local authority or the event organiser.

Mims Davies (Eastleigh) (Con): The argument on both sides is interesting, and I too declare an interest as a runner; I am going to the sixth Eastleigh Parkrun on Saturday morning. I am concerned because we have heard from my hon. Friend the Member for Maidstone and The Weald (Mrs Grant) about male-dominated sports tending to involve subscriptions being paid for general use, and an understanding that there is wear and tear. However, for half an hour once a week, with no clear wear and tear issues, I would be concerned. We have an obesity crisis in my constituency and problems of diabetes and amputations. Parks are for people and people make parks. I want there to be clarity about whether, if we start making charges for such significant runs, which happen across the country, we will set a dangerous precedent. Things are working very well in other parish councils.

Mr Jones: My hon. Friend has declared an interest; I will do so too. She will probably guess that I am not a park runner; nor do I run on a regular basis.

Geraint Davies (in the Chair): You are declaring a disinterest.

Mr Jones: Thank you, Mr Davies. I am not necessarily disinterested, but that is not an interest that I pursue at this point.

We have no issue with local authorities charging for the use of facilities when it is legitimate to do so. Indeed, it was the Conservative-led coalition Government who legislated to give local authorities the general power of competence enabling them, among other things, to charge for the use of specific facilities where they considered they could not rely upon other legislation in doing so. As with all local authority decisions, the decision to charge for the use of a specific facility should be both transparent and accountable. Local authorities are, of course, ultimately accountable to their electorate, who can exercise the ultimate sanction at the ballot box. Indeed, earlier this month millions were doing just that as they voted in local elections. Where a local authority decides to make a charge it should, of course, be clear about what it is charging for, how much it is charging, and under what power it is making the charge. Otherwise, how are those affected by the charge to know that it is fair, legal and proportionate?

There must also be accountability. Those affected by the decisions of democratically elected local authorities of course have the right to object to them. Otherwise power would be exercised without responsibility or consequence, although, in response to what my hon. Friend the Member for Filton and Bradley Stoke said on the matter, I would always encourage communities to lobby councillors in a respectful and dignified manner, and not in a way that none of us would find acceptable and appropriate.

Parkrun is a network of local runners, and Parkruns are free, weekly 5 km runs in local parks. The runs take place every Saturday morning and are free to participate in, and the local organisation is done by local volunteers. My hon. Friend the Member for Filton and Bradley Stoke mentioned profits, and my understanding is that Parkrun is a not-for-profit company that relies on donations and sponsorship. It is not an organisation that relies on membership, or on subscription or registration fees. I understand that the events are run by volunteers, and are set up not to make a profit for anyone but merely as a vehicle for people to come together as my hon. Friends have described, for a morning run on a Saturday.

Mrs Helen Grant: On that point about coming together, does the Minister agree that there is still a worrying gender gap—of about 2 million—between the number of women and men doing sport? Parkrun and other schemes, ideas and activities like it make an important contribution to trying to close that gap, and that should be encouraged and acknowledged.

Mr Jones: My hon. Friend has immense knowledge of the subject and did an excellent job as Sports Minister. I agree with her, because many males take part in organised sporting activity such as football; but often once girls reach adulthood they do not take part in

organised sports. Some do, but the majority do not. Therefore I strongly agree with what my hon. Friend said about Parkrun, if it means women feel able to come together and exercise in a safe environment because they are in a group of other women who support them. It is an excellent example of communities organising events on a voluntary basis. It is a great use of parks, and, as has been said, it enables the public to enjoy healthy exercise. The Government strongly endorse that.

Andrea Jenkyns: I am on the Health Committee and was involved in the recent childhood obesity report, so I understand all the arguments. We need to encourage not just more women but more people—full stop—into sport. However, the case in question involves a very small parish council. I have mentioned that I chair the all-party group on local democracy, and parish councils do not have the same revenue streams as city and district councils. The parks must still be maintained.

I have been working with the National Association of Local Councils to lobby the Government so that, for example, when we devolve business rates to town and city councils through devolution deals, we also look at devolving some of them to parish councils as well, if the town and parish councils put a strong argument together. I am not a mathematician but I do not know how they can be expected to maintain something when often—I know this is true of some parish councils that I have dealt with through the group—they have a budget of a couple of grand a year. How can they pay to maintain the park when it is getting so much more use, if they have no more revenue streams?

Mr Jones: We have a strong relationship with NALC and I very much respect my hon. Friend's work in the area in question, which is extremely important. We have had significant discussions and we have made it clear that the parish precept is the way in which parish councils will provide services. As I have said, in many other cases there are significant ways in which councils can legitimately secure other income for the use of facilities such as tennis courts and football pitches.

We were disappointed that, in asking people who use Little Stoke park for Parkrun to make what it describes as a contribution, Stoke Gifford parish council chose to

become the first local authority in the country—indeed, as I understand it, the first in the world—effectively to charge for that type of community running event. It is quite legitimate to charge for specific facilities and specific activities. It is quite another thing to seek to overturn a long-standing tradition of free access to parks for everyday use. The Secretary of State has written to Councillor Brown, the chairman of Stoke Gifford parish council, about the matter. As I have explained, the Government strongly support the organising of events by communities on a voluntary basis to enable the public to enjoy healthy exercise. As my hon. Friend the Member for Filton and Bradley Stoke said, and as the Secretary of State put it, that is the sort of activity that local authorities should encourage, and I echo that sentiment.

Local authorities rightly have the power to charge for the use of specific facilities that they provide. The Local Government (Miscellaneous Provisions) Act 1976 lists some of those facilities, such as sports centres, swimming pools, tennis courts, golf courses and bowling greens. The everyday use of a public park should not be charged for. Our parks and our green spaces are precious. It is entirely right that local authorities, which are entrusted to look after those valuable community assets, take their stewardship of them seriously. That should not be at the expense of the communities who use them.

Our parks are almost endlessly adaptable. They are more than turf and vegetation; they are a home to nature and a home away from home for communities of dog walkers, cyclists, and those who enjoy a stroll or a run. Every Saturday morning at 9 o'clock, in nearly 400 parks in the United Kingdom, they are the venue for a free Parkrun. Charging for facilities and events is quite legitimate. Seeking to charge for everyday use is not. I welcome the debate that we have had, and congratulate my hon. Friend the Member for Filton and Bradley Stoke on securing it.

Motion lapsed (Standing Order No. 10(6)).

11.30 am

Sitting suspended.

Steel Industry

[MRS MADELEINE MOON *in the Chair*]

2.30 pm

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I beg to move,

That this House has considered the future of the UK steel industry.

Before I begin, I would like to congratulate the steel football club of Middlesbrough on re-entering the premier league this weekend. I congratulate the chairman, Steve Gibson, who yet again has shown what a great model can be provided by a fantastic chair over many years. It is high time he was given a knighthood for his services to football.

Today is about the British steel industry. I want to reiterate that the British steel industry has a future. It is not a sunset industry; it is not a basket case. We, as steel MPs, have hammered home the well-versed arguments of industry and Community, the steelworkers' trade union, that the Government have not provided the will to back trade defence mechanisms, especially in the case of the lesser duty tariff; that Chinese and Russian dumping is causing chaos in the world, European and British steel markets; that an imposition of the carbon floor price on energy-intensives has had significant repercussions; and that compensation for the carbon price floor and the EU emissions trading system has been slow to non-existent, despite continuous British ministerial promises. Business rates also need fundamental reform.

Despite all that, only this week we saw seven potential buyers come forward with the intention of purchasing the remaining Tata assets. Those assets across the UK—from Port Talbot to Shotton, Trostre, Llanwern and Hartlepool—are manufacturing different products at different levels of the stream of steel production. Prior to that, Dalzell and Clydebridge were purchased by Liberty House. Various Caparo sites previously in administration were also purchased by Liberty. Long product sites such as the Teesside beam mill, Skinningrove and the integrated works at Scunthorpe were all purchased by Greybull Capital, with the intention of significant investment. That is not evidence of a sunset industry. Those are serious players with real desires to invest and make money.

Mark Tami (Alyn and Deeside) (Lab): While those boons are obviously welcome, I am worried that we see it in the press that somehow everything is okay now. It is not. There is still a great deal of worry out there. I am particularly concerned about people who are leaving the industry to get jobs elsewhere because they do not see security for them and their families.

Tom Blenkinsop: I thank my hon. Friend for bringing up that issue, because skills retention is key. There are historical precedents that the Government could look to—not very old ones, but from the previous Labour Government in 2010—for how to use facilities and Government finance in order to retain skills. I will get on to that a little later.

What could have been for the Teesside Cast Products site in Redcar, the second most efficient plant in Europe, if it had been given time and the Government had

committed to step in and co-invest, instead of the miserable inaction of a Government paralysed by dogma? It was saved once, but the lessons of how that was achieved were ignored.

Our British steel industry is a world beater. Investors desire to own it. International market conditions are changing right now. Indeed, indicators regarding strip in the UK are far more positive. As world demand increases and Chinese steel sites are closed due to international pressure, we are well placed to capitalise on that, but only if we now rally hard behind our British steel industry.

Nick Thomas-Symonds (Torfaen) (Lab): On the international situation, does my hon. Friend agree that a real acid test for the Government is their position on market economy status for China, which would be wholly illogical given the Chinese Government's control over their native industry?

Tom Blenkinsop: My hon. Friend makes an excellent point; I want to come to that later. Indeed, I believe the European Parliament is voting tomorrow on whether or not to grant China MES. Ultimately, the European Commission will have its say later in the year, but the implications for energy-intensive industries—not only steel, but manufacturing per se—go way beyond what anyone has talked about in any depth. That has been ignored to a certain extent—or, rather, quietly allowed to go under the radar—but the consequences for British manufacturing are profound.

Nic Dakin (Scunthorpe) (Lab): I congratulate my hon. Friend on securing this important debate. Does he agree that we have seen some tremendous leadership from both the Community union, leading the trade unions, and UK Steel leading the employers? That leadership and inspiration should be matched by the Government in taking us forward and ensuring a bright future for steel, as well as a very good past.

Tom Blenkinsop: I thank my hon. Friend for mentioning Community, which is my union and former employer. Community has shown the positive role that trade unions can perform in partnership with employers. Mutual co-operation between employees and employers is necessary in order to get an industry through a difficult period, whether through a short-time working agreement, negotiating pensions or trying to find buyers for a steel site. Community is an exemplar in the trade union movement—I would say that, as a present Community trade union member and a member for many years, but there is a lot that the union movement can learn from it.

Chris White (Warwick and Leamington) (Con): Can we also talk about the purchase of British steel? Does the hon. Gentleman agree that local authorities and national Government can learn from the example set by North Lincolnshire Council, which has agreed a resolution that fully embeds the Public Services (Social Value) Act 2012, enabling the use of UK steel in its procurement policies and committing to using British steel in its construction projects wherever possible?

Tom Blenkinsop: I applaud that council for doing that; it is exactly what we wanted. The all-party parliamentary group on steel and metal related industries

called upon our local authorities, or any authority at any tier, to support British manufacturing, in particular steel, via the EEF. We worked with UK Steel and the trade unions in order to push that. It is good to see a local example of that.

We now need to rally hard behind our British steel industry. As I have said, examples of purchasers coming forward are clear. We now have seven buyers that have shown an intention to purchase the remaining strip/tube and the remaining assets. However, as I have said before, I do not think Tata has completely left the field. I suggest that there are potentially eight players on the field at present. It will be interesting to hear what the Minister says about Tata's position and whether she believes it has completely left the field. I do not think it has, and it will be interesting to see in the coming days and weeks what Tata may or may not do.

The main issue, though, is how Tata continues to behave and whether it wants to be viewed in the full glare of the world's media spotlight behaving in a sensible, rational and responsible manner. It remains incumbent upon the Government to provide the necessary oversight to ensure that Tata does exactly that, so that we can ensure current British steel capacity, ensure our defence and civil capability and demonstrate internationally that the UK values and wishes to protect an industry it leads the world in.

That brings me to the steel sector materials catapult and international competitiveness. The UK has some of the best expertise available globally for innovation in steel. As a result of its extensive expertise in both materials and energy, the Materials Processing Institute has been approached to join a national Swedish initiative to transform the steel industry in that country from coal-based to hydrogen and renewable energy over the next 20 years. At the end of this month, the institute will receive a delegation from the German steel industry, which has an interest in transitioning to more recycled and electric steelmaking.

Meanwhile, the UK has the opportunity, through the materials catapult proposal, to take advantage of our home expertise and leap ahead of our European competitors, yet the proposal has still not been taken up by the Department for Business, Innovation and Skills. I believe that could be achieved with a minimum of £5 million and could secure the research and development aspect that is vital to an industry moving forwards and developing. Again, that exposes the lack of an integrated industrial strategy on materials and materials research.

Tata clearly states that it has refused bids from cherry-pickers. However, the Government must remain vigilant. A total buy-out does not prevent a sudden, total closure of UK sites, so that a purchaser can retrench the position of, say, an integrated works in Holland—I can think of one such company, but I will not mention which. The Government must maintain that key watch role. Indeed, now is an ideal time for them, while potentially laying out a 25% equity stake, to specifically design a fully integrated industrial strategy to demonstrate to key investors what future they envisage for British steelmaking, not only to retain and maintain what capacity we already have, but to point to key investment opportunities so that we can hold our ground and increase our capacity and world market share. This is where the nation needs to leverage existing national excellence.

At the same time as the UK's leading steel manufacturing institutes have come together to propose the materials catapult, it is understood that the Department for Business, Innovation and Skills is considering other, less suitable innovation providers to develop proposals to support the steel and wider metals industry. The danger is that public money will be used to duplicate and crowd out existing world-class providers. Instead, the Government should take up the materials catapult proposal, which is widely supported by the industry. It would build on our world-leading expertise, offer best value for money and have immediate nationwide benefits. Furthermore, a purely social response is that the Materials Processing Institute, part of the materials catapult bid, is situated in the borough of Redcar and Cleveland, footsteps from the edge of the former south bank coke ovens and the Teesside Cast Products integrated works, which no longer exist. An assurance of investment in the catapult would not only benefit the UK steel sector, but directly help an area so badly damaged by the loss of Sahaviriya Steel Industries in autumn last year.

My trade union, Community, is the leading union in the Save our Steel campaign to secure a sustainable future for the UK steel industry. As the sales process for the divestment of Tata Steel UK's business proceeds, it is vital that the Government focus on the future of the UK steel industry. In answer to every question about an industrial strategy for the UK, the Secretary of State for Business has dismissed it as semantics, stating that the existence of the Steel Council demonstrates an industrial policy or approach that achieves the same outcomes. This is simply not the same as or comparable with a long-term coherent industrial strategy and does not ensure the future of the industry. The Government must stop dodging the issue now.

Kevin Hollinrake (Thirsk and Malton) (Con): I am grateful to the hon. Gentleman for introducing this important debate. Will he concede that the difficulties in the steel industry started in 1994, when 35,000 people were employed in the industry? The number stabilised around 2010 and has been stable since. Would it not be more sensible to have a cross-party constructive discussion to solve these problems?

Tom Blenkinsop: I thank the hon. Gentleman for his contribution. I have been chair of the all-party group on steel and metal related industries for five years and we have tried to reiterate the arguments for the steel industry. In 2012, when I first mentioned a debate about Thames Steel Services in Kent in the south-east of England, which is obviously not in my constituency but is part of the steel family, we did not get much of a hearing from the Government. Following that, we had further debates on the impending crisis, which we could see coming because of dumping from Chinese markets and other repercussions of Government policy. Ministers from the Department for Culture, Media and Sport responded. They were not even Ministers from the Department for Business, Innovation and Skills. I kindly suggest that the hon. Gentleman looks at the record of the last few years. Colleagues in this Chamber who are members of the all-party group from other parties are well aware of that history.

The Government must stop dodging the issue and start to work on a strategy to protect and boost the industry across the UK. A real concern is the amount of

[Tom Blenkinsop]

time that Tata Steel is allowing for the sales process and that an arbitrary deadline will be imposed that is too soon for credible investors to develop a viable bid. Tata allowed time for the sale of its long products business to a credible investor. It should provide the same opportunity to bidders for the rest of its UK business as it allowed in every contemporary example, including SSI back in 2010 and Greybull Capital now—and, indeed, as was allowed in Tata's own acquisition of Corus back in 2006.

The story is lost to some extent, but Tata achieved its purchase of Corus in competition mainly with a Brazilian company, and it achieved it only because in 2002 Tony Pedder, who headed up Corus at the time, was in competition with the same Brazilian company to create a merger, which then failed. Four years elapsed to allow Tata to purchase it. Some would argue that it paid an expensive share price, but that time elapsed and both competitors ratcheted up the share price because they thought the British assets were so key and vital, as they still are.

Public sector steel contracts must specifically consider UK steel, but I and my colleagues are concerned about recent reports that British steel is not being used in vital upcoming manufacturing projects—for example, Ajax vehicles. The Defence Minister, the right hon. Earl Howe, revealed in answer to a parliamentary question that 40% of the work building those vehicles will be carried out in Spain and a majority of the supplied steel will come from Sweden. This came after the Prime Minister hailed the deal as a boost for British manufacturing. Another example is the Aberdeen city bypass. Negotiations on a £12 million contract for 10,000 tonnes of rebar for the bypass have been reported as being at an advanced stage with Turkey.

Legislation and warm words are not enough to guarantee the viability and sustainability of a UK steel industry. The Government must act now to ensure that British steel is used in every public sector manufacturing contract and that British jobs are protected.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): My hon. Friend has made some important points about procurement and the defence industry. His example of Aberdeen is particularly concerning, not least because rebar is one of the main products produced by the Celsa plant in my constituency. It has been used very successfully in projects such as Crossrail and elsewhere. Does he think it is time the Scottish Government fully explained their reasons? They said they would do everything they could to save steel jobs, but that seems to be falling down at the first hurdle.

Tom Blenkinsop: Indeed. In a spirit of cross-party politics, we want a positive response from the Scottish Government on revisiting that issue, looking at the contract and looking to British-sourced rebar steel, made in Britain by British workers, so that our British steel industry can thrive.

It is important to remember that, as my hon. Friend the Member for Aberavon (Stephen Kinnock) has said, lack of customer confidence is the surest way to undermine the steel industry. The Government must work with Tata to ensure the continuity of client contracts. I know

that a lot of work has been done on that in the background. It is essential to preserve the commercial viability of any sale. Retaining essential skills and competencies is vital for the future of the business. The highly skilled workforce cannot be allowed to fragment or disappear. Indeed, in 2010, £60 million was set aside by the then Labour Government to retain the existing workforce at Teesside Cast Products in Redcar. Not one hard redundancy was endured over a 22-month period among core Corus workers, to ensure that a purchase could allow a new owner to retain those workers. To avoid a fire sale and irreversible mistakes, the Government must demonstrate to all stakeholders in the industry that they are taking a proactive approach to ensuring the continuity of operations.

This is a time for leadership by the Government and no issue is more important for them to lead on than the lesser duty tariff. Europe currently uses the lesser duty rule to impose the lowest possible duties on unfairly traded products that have been dumped in European markets and exported at prices below those in the home market. Duties introduced by Europe are usually way below the actual margin of dumping, the result of which is that dumping continues and unfairly traded products are allowed to compete in European markets and depress prices.

The US does not follow the lesser duty rule, which means it can implement much tougher sanctions reflecting the margin of dumping. For example, it recently imposed duties of 236% on a particular grade of Chinese steel.

Jessica Morden (Newport East) (Lab): My hon. Friend kindly mentioned Llanwern steel works. I also have Cogent Power Orb works in my constituency, which manufactures a very specialised steel product that is unique for Tata and profitable due to great management and a fantastic workforce. When I visited Cogent Orb in the last two weeks, I was told that in January as much steel came into Europe as in October, November and December 2015. Is it not clear that this is an ongoing problem and that we have not seen enough action yet?

Tom Blenkinsop: Most of the changes in the market have been market reaction, not a result of regulations. Trade defence mechanisms are sitting there waiting to be used. They could vastly improve the situation very quickly and help to prop up and support the industry. It is hard to know why those instruments have not been used, and I am certain that steelworkers find it excruciating that there are mechanisms and levers that the Government could use to at least sustain the situation during a period of dumping.

Chris Elmore (Ogmore) (Lab/Co-op): Does my hon. Friend agree that, as many of my constituents in Ogmore have told me, there has been real leadership from Carwyn Jones and the Welsh Labour Government in the package they have put in place, within the powers they have, and that it is about time the UK Government stepped up to the plate and used the facilities and options available to them?

Tom Blenkinsop: First, I would like to congratulate and welcome my new hon. Friend the Member for Ogmore (Chris Elmore) and say how privileged and happy I am to have him intervene during my speech. I believe that this is the first time he has spoken in the

House, so I am very honoured that he has taken this opportunity, but I am even more impressed by the fact that he has got straight into the job and is representing his constituents in a very steadfast way.

The US Government are in the process of introducing new laws that will enable the US to take even tougher action against Chinese dumping and which will make Europe an even more attractive target for dumping. However, there is hope, as it has become widely recognised in Europe that the lesser duty rule is killing our industry. The European Commission has proposed that it should be scrapped, and that has been supported by the European Parliament. The European Commission is demonstrating the very reform and flexibility that the Prime Minister kept banging on about wanting to see in the European Union, so why will he and his Government not support the European Commission in that action?

I would be very happy if the Minister responded to that question, because that is the type of reform we want. When the facts and the market change, the mechanisms need to change. In my opinion, the reason why the lesser duty tariff has lasted so long is that the level of dumping was previously nowhere near the levels it has been at in the last four years. When the facts change, our trade defence mechanisms need to change in order to support our industry, yet even now the UK Government continue to lead the charge among the small group of nations blocking the scrapping of the lesser duty rule. Our own Government are arguing that end users of steel need access to cheap Chinese product.

Despite all the rhetoric, the UK Government are failing to stand up for our steel industry. They say they have delivered on four of the five industry asks, including “backing EU-level action on anti-dumping measures”,

but the Government’s opposition to scrapping the lesser duty rule exposes the enormous gap between rhetoric and reality. Furthermore, on 5 February, the Secretary of State signed a heavily publicised letter to the Commission calling for Europe to

“use every means available and take strong action”

on Chinese dumping. That letter is simply not consistent with the Government’s position on the lesser duty rule.

Even more importantly over the coming weeks, the EU will make decisions that will impact on the granting of market economy status to China. It has become increasingly clear that Chinese dumping poses an existential threat to the UK and European steel industry. Despite that, the UK Government continue to act as a cheerleader for China in Europe in its bid for MES, whether we remain in the European Union or not. Market economy status for China would be a complete disaster, as it would make it even harder for European producers to gain protection from unfairly traded Chinese imports. That issue is becoming more urgent, as the Commission must take a decision on it by December of this year, and the European Parliament votes on it tomorrow. I do not know, but I have heard that Tory MEPs are being whipped to vote that through. That has serious implications yet again, in terms of what the Government say and what the Government are prepared to do.

Stephen Doughty: I thank my hon. Friend for being generous with his time and giving way again. He makes an extremely important point about market economy status, and I absolutely agree. He highlights, aptly, that

the crucial point in this is what the UK Government and Tory MEPs do in Europe and not, as some have suggested, that the European Union in some way putting the kibosh on the steel industry. Does my hon. Friend agree that it is misleading for Brexit campaigners to suggest that the steel industry in the UK would be better off if we left? The truth is that leaving the EU would be a body blow to the steel industry.

Tom Blenkinsop: I thank my hon. Friend for that intervention. I know that the Minister will agree with this. What would we be saying, as a nation, to Greybull or the seven potential buyers of strip and tubes in Britain if we removed ourselves from the European Union? They are purchasing, obviously, in the context of our being a member of the European Union. The implications of removing a pillar of the deal that has just happened—it took more than 12 months in relation to long products and Greybull—would be so massive that it does not bear thinking about, but then again, the Brexit campaign is more politically led than economically led. I make that quite clear because the matter is that important, and not just for steel. The Chemical Industries Association has come out very strongly for remaining within the European Union, as have trade unions in the manufacturing sector, because it is the only practical option if we are to retain any form of manufacturing in this country.

Another matter is business rates. This one cannot be immediately resolved, but it needs looking into. The review of business rates that concluded in advance of the Budget did not go far enough to deliver savings for UK producers. Business rates in the UK are up to 10 times higher than those paid by competitors in France and Germany. The Government should act now to level the playing field by removing plant and machinery from business rate calculations. Including plant and machinery in the calculations is anti-investment and anti-industry. Tata Steel recently invested £185 million in the construction of a new blast furnace in its Port Talbot steelworks and, in return for that investment, received a £400,000 increase in business rates. That is patently uncompetitive and ridiculous.

Back in March 2012, I gave a speech in relation to the closure of Thamesteel in Kent. That just goes to show how long we steel MPs in this place have been fighting, not just for our constituencies but for our countries’ steelworks, our steel culture, our steel families and our people. I want to repeat what I said that day, quoting a Teesside man of steel:

“When I see a blast furnace, I see a thing of beauty...I see something that has given thousands and thousands of people a way of life, a good, honest wage, the ability to pay their mortgages, go on holidays and bring up their families. That to me is fabulous, that is a beautiful thing. When you come to Middlesbrough and see that skyline...That blast furnace is the heart of Teesside. As long as it pumps, there is life in Teesside.”

It was not just a Teessider’s fairy tale when we saved TCP. The men and women from Kent, Stocksbridge, Rotherham, Hartlepool, Corby, Port Talbot, Shotton, Llanwern and Trostre all have the same view of their steelworks, as does every single steel community. It is a story for all steelworkers in Britain. There is a way to save our steel sites and UK steel if the Government do something to facilitate the process and lend their support, so the question for the Minister is: will you follow through on those promises, because now is the time for action?

Several hon. Members *rose*—

Mrs Madeleine Moon (in the Chair): Order. Given the number of hon. Members standing, some of whom have not notified the Chair of their wish to speak, I am imposing a five-minute limit on speeches. That may be reduced, depending on how the time goes and interventions.

2.57 pm

Angela Smith (Penistone and Stocksbridge) (Lab): I congratulate my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) on his brilliant speech, and Middlesbrough football club on getting to the premiership. It is good to see another Yorkshire team in the premiership.

Mr Clive Betts (Sheffield South East) (Lab): Are we going to join them?

Angela Smith: It would be even better if another Yorkshire team, Sheffield Wednesday, joined Middlesbrough in a few weeks' time. It is another steel football team.

I want to start by underscoring and supporting the points made by my hon. Friend the Member for Middlesbrough South and East Cleveland about business rates, energy prices, Chinese dumping, skills retention and procurement, which are all very important. I will just add that the sales process that Tata is undertaking needs to hold to a deadline that allows for a sale that delivers responsible ownership for the future. There is a lack of confidence in the current deadline. The feeling is that it is not the right deadline, not the right timetable, so comments on that from the Government would be welcome.

In the previous debate on this issue, in the main Chamber, I spoke about speciality in my constituency. I talked about Tata in Stocksbridge and I will simply reiterate the point that we make some of the best steel in the world and we do that with the best workforce one could ask for. I will leave it at that. My key aim today is not to reiterate the comments that I made then, but to make the point that we have a responsibility not to lose that capacity, especially in such a strategically important industry, so in the rest of my speech, I will focus on making just two key points.

First, the role of the Government in the current situation demands leadership, as my hon. Friend pointed out. The Government have at last shown a willingness to engage, and we are obviously all very relieved about that. They have also demonstrated, I think and hope, that they will be pragmatic in their approach. However, we need the Government to fulfil a much more powerful role, that of strategic lead in ensuring that the Tata sales process is placed firmly in the context of how the industry needs to develop in the long term to secure its sustainability. We need that role to be taken on by the Government now with no more delays or prevarication. Will the Minister please give us that direction? Will she give us concrete actions that demonstrate confidence in the future of steel in the UK?

My second point relates to the importance of innovation in delivering sustainability, and I echo entirely the comments made by my hon. Friend. Innovation in manufacturing improves productivity and secures its future, and there is no better example of that than the steel city, Sheffield.

Huntsman developed the crucible process in Sheffield and Harry Brearley developed stainless steel there. Bessemer built the first commercial application of the converter process in Sheffield, and that technology revolutionised steel making, improving its quality while lowering costs significantly, leading to a far wider range of applications for steel products. The steel city became the biggest steel producer in the world, mainly because of Bessemer and his process.

All Sheffielders are immensely proud of our city's history and achievements. Steel is in the DNA of Sheffield. It is in our blood. We are also passionate about reasserting the fact that steel making is an industry of the future, not of the past. The impact that Bessemer's technology had on steel making demonstrates entirely that that future depends on investment in research and development.

The Minister should put investment in innovation at the heart of her support for the steel industry and place it at the heart of the much needed industrial strategy for steel. I can think of no better way of doing that than by announcing, as a matter of urgency, that some of the £500 million allocated to the Higher Education Funding Council for England will be brought forward to ensure a timely response to the needs of an industrial, rather than an academic, timetable. Whichever way the Minister does it, she should do it.

The Government need to signal quickly that they understand the importance of innovation to steel and manufacturing. By so doing, they will help to underpin the search for a new long-term ownership and sustainable future for Tata Steel, and they will underpin and make more robust the long-term prospects for the whole steel-making capacity of the UK.

3.2 pm

Stephen Kinnock (Aberavon) (Lab): I congratulate my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) on securing the debate. There are many familiar faces here, which is no surprise as Labour Members have raised the issue of steel in the House well over 220 times since last May. The Save our Steel campaign has been exerting real pressure for more than a year. The work of Community and other unions and, most importantly, the thousands of steelworkers around the country, has been remarkable. Still, when crunch time came, the Secretary of State was caught unawares in Australia, and the Prime Minister was in the Canary Islands. Only when the situation became a public relations disaster did the Government start to wake up.

The announcement that the Government would take an equity stake and provide other forms of support was, of course, welcome. We know how much that must have hurt the Secretary of State, and we salute him for crossing the Rubicon and finally acknowledging that the Government have a role in building a well-functioning industrial base. Who knows, having had that damascene conversion, he may even be ready to utter the words "industrial strategy" now. Stranger things have happened. Unfortunately, that realisation came too late for the people of Redcar, as my hon. Friend the Member for Redcar (Anna Turley) so movingly described a few weeks ago. It is a betrayal for which the Government shall not be forgiven—a betrayal that deserves no forgiveness.

The Government now have the opportunity to ensure that they do not make the same mistake twice. I have some simple questions. The first is on energy costs. The compensation package is of course welcome, but much more can be done. At Port Talbot, large amounts of gas, particularly from the coke ovens, are recycled and used as energy. It is, by definition, a form of renewable energy. Why, therefore, can we not receive renewables obligation certificates for it?

In addition to the plans for a new generator, Tata has submitted an investment package of £130 million, which would upgrade equipment and deliver massive energy efficiencies and cost savings. I understand that the Department for Business, Innovation and Skills has carried out the technical investigation, but has yet to give the project the green light. Can the Minister explain why there has been such a delay in giving the green light?

It is possible that state aids are an issue but I have been in contact with Commissioner Vestager and, in a letter to me, she quite clearly stated that she remains

“ready to work with the UK authorities on how best to make use of the possibilities offered by EU State aid rules to support energy intensive industries.”

The offer of help is there. Why do we not use it?

Secondly, for Port Talbot, Trostre and Llanwern, business rates are devolved, so a co-operative approach between Westminster and Cardiff is needed. Tata strip, speciality and bar pay £28 million a year in business rates. Meanwhile, the IJmuiden plant in the Netherlands pays £2.5 million a year in business rates. How can we possibly justify UK business rates that are more than 11 times those in the Netherlands?

I understand the Government’s concerns and fears about setting a precedent on business rates and about the broader implications that would have. However, that is simply a matter of sitting down and sorting it out. The Government could set a tapered ceiling by saying that the only businesses where plant and machinery could be exempted are those with, for example, capital expenditure of more than £30 million or those with more than 3,000 employees. They could specify that only companies fitting those criteria would be exempt.

Thirdly, on procurement, the Government have trumpeted their changes to procurement guidelines, and they should be congratulated on those changes. However, as we learned on Monday with the news that the latest set of British Ajax battle tanks would largely be built in Spain with Swedish steel, those changes are utterly toothless. That news seriously questions the Government’s commitment not only to British steel, but to British industry more broadly.

The Secretary of State has spoken of his desire for a new industrial revolution. Well, steel is central to that. Earlier this week, Nick Reilly, the former head of GM Europe, said:

“If we lose the steel industry in this country...There is a high risk that maybe one of the manufacturers—maybe Vauxhall, maybe Toyota, maybe Nissan—will move out of the country if they cannot source steel locally. The real risk then is that that could snowball and the majority of the manufacturers go.”

That is a key consumer of steel making it clear that the end of British steel will be the end of much more. As Mr Reilly concluded:

“What we are then talking about is not the 30,000 to 40,000 jobs at risk in the steel industry, but hundreds of thousands of jobs across British industry.”

The situation could not be more urgent. I implore the Minister to answer the questions as specifically as possible, and that that answer is not more committees, working groups and warm words with frozen actions. I implore him: let us start to see some real action on the issues of energy, procurement and the dumping of Chinese steel, so that we can finally give some confidence to the future of the British steel industry.

3.7 pm

Anna Turley (Redcar) (Lab/Co-op): It is an honour to serve under your chairmanship, Mrs Moon. I commend my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), who, as always, is bang on the money regarding the British steel industry. He brings his incredible experience and insight to the debate and I am proud to sit alongside him on these Benches.

I welcome the positive news about the number of potential buyers for Tata sites. The people of Teesside will be pleased to hear that positive news for steel communities around the UK. As my hon. Friend said, that is testament to the fact that the argument is, at last, being won. Steel is not a sunset industry and has a vital long-term role in the future of British manufacturing. It is also a positive statement that Britain can be a global leader in steel with the right support and, as other hon. Members have said, a serious industrial strategy from the Government. I am glad that the Government seem to have learnt their lesson, albeit at a terrible cost to us on Teesside.

I have spoken before about the anger still felt in Redcar that nothing was done to save our steel making from closure. We have never had answers to the questions I posed in the previous debate on the topic, when I asked why European state aid rules were a barrier to co-investing with Sahaviriya Steel Industries but are not for the companies now coming forward for the Tata sites, and why the private sector options that we put before the Minister—which would have kept the coke ovens going and mothballed the blast furnace, rather than losing our national assets for good—were not taken up. I also asked why the Government said that they could not put British taxpayers’ money into Thai banks. Why are they any different from the investors coming forward now? There is still a justified sense of anger on Teesside when people see the Government pulling out all the stops now, and feel that nothing was done for us, but I do not want to keep looking back. We must rebuild and get back on our feet, and we are doing that.

I start, as my hon. Friend did, by congratulating everyone at Middlesbrough football club—the chairman, Steve Gibson, the manager, Aitor Karanka, all the players, the staff and, of course, the fans—for a well-deserved promotion to the premier league. We are back where we belong as a premier league club in a premier league town. We now have to build on this opportunity for our global brand to show the world once again that Teesside is a great place to live, work, play and invest. Just as steel was the driving force of our former industrial might, so it can still play a vital role in our future regeneration.

[Anna Turley]

I welcome the fact that the shadow board for the South Tees development corporation met for the first time yesterday. It is a strong board with a great deal of local experience and expertise, and I look forward to working with the development corporation on the future of the SSI site. That site can play a major role in job creation and the economic regeneration of the area.

I want to briefly set out two key areas where I think steel can play a key role in driving the regeneration of Teesside. The first is in relation to steel and the circular economy. While we may never be able to forge steel again without our blast furnace, there is a great opportunity on Teesside to lead the way in metal remanufacturing, refurbishment and recycling. The second area is in research and development. Like my hon. Friend the Member for Middlesbrough South and East Cleveland, I urge the Minister to give a high priority to the benefit of the materials catapult on Teesside at the Materials Processing Institute. The MPI pilot-scale electric arc furnace in Redcar is the only example of its kind in the UK and offers innovation, process development and future opportunities in the adoption of electric arc furnace technology.

Jo Churchill (Bury St Edmunds) (Con): I could not agree more with what the hon. Lady is saying about catapult centres, but, for firms like Mettalis in my constituency, it would be better to incentivise R&D credits across the piece and also look at the other method of driving innovation, which would be to make the enterprise investment scheme applicable to steel as well.

Mrs Madeleine Moon (in the Chair): Order. It is inappropriate for the hon. Lady to arrive part-way through the debate and then make an immediate intervention.

Anna Turley: I appreciate the hon. Lady's point because I do not think it should be an either/or: we can work together on investing seriously in research and development in steel.

On the MPI facility, no other such facility in Europe possesses equal capability. Support for a materials catapult on Teesside will give British steel making the cutting edge in research and development, encouraging greater investment and resilience for the industry. The MPI, as my hon. Friend the Member for Middlesbrough South and East Cleveland has said, has had a direct approach from Sweden. We have also got experts coming from Germany, Australia and Holland. If foreign Governments and commercial operators are engaging with our researchers in the UK to future-proof their steel sectors, can the Minister explain why it is such a struggle to convince officials in the British Government? Do they know something that industry and innovation experts do not?

So those two areas show the potential that we have on Teesside for steel to play a key role in our economic regeneration. It must not be forgotten that we have a thriving chemicals industry and a dynamic port. We have the potential for more investment in energy from waste, carbon capture and storage, carbon dioxide conversion and potash mining. When oil and gas recovers, that can also play a vital role in our economy. I thank

the Government for making Redcar College one of its spokes for national colleges for oil and gas. We have great opportunities. Boro have done their bit to get us in the premier league; now it is time for all of us to step up.

3.12 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) on securing this important debate today. I rise to speak not because I have a major steel manufacturer in my constituency, but because I have more foundries than any other constituency in the country. I want to emphasise the strategic importance of the steel industry to the metals industry throughout the country. Quite rightly, the focus has been on the immediate impact of the steel industry's demise on employees and the communities surrounding steel production, but the knock-on effect will spread throughout manufacturing and the key manufacturing regions in this country. The west midlands, particularly the black country, is hugely significant in that respect.

The foundry industry in the black country is absolutely crucial to two other manufacturing success stories in this country: automobile manufacturing and civil aviation. Anything that reduces the capacity of those two industries to be successful and to drive our exports will have implications far beyond the immediate closure of the steel industry.

I want to compliment the West Midlands Economic Forum, a research group, and its steel taskforce, which is trying to bottom out the implications for local industry of the demise of the steel industry and act as a mouthpiece for it in securing alternative supplies. We must be clear that there is a real threat to companies. We know that some are already seeking alternative suppliers of steel, quite rightly, because they need continuity and certainty for their forward business planning. If they cannot rely on the British steel industry surviving, then for their own survival, they have to look elsewhere. That vicious circle has implications for our native steel industry. Even if we get it up and running—I believe it has a great future if we do—it could lose some of its future market share as a result of the decisions made during this period of uncertainty.

It is absolutely essential that we have more from the Government than just the benign warm words about the industry that we have heard. My hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) emphasised that we need a proactive declaration that will generate confidence not just among the steel-producing industry but among the thousands of small businesses that depend on it for their future. That means seeing what measures are being taken in Europe within the very tight rules that I admit the EU applies to ensure that there is not unfair and uncompetitive practice. Other Governments in the EU have successfully done that in support of their industry.

Finally, I will cite investment in research and development. In France, there is investment of €20 million to €30 million a year, leveraging further private investment; €19.1 million has been given to the German Salzgitter company for innovative new steel processes; and there is long-standing relief in Germany for energy costs worth

up to an estimated €8 billion a year. If they can do it in Germany, we should be able to do it here. We look to our Government to say that they are willing to implement such measures, to provide the necessary reassurance and confidence that our steel industry will survive and that its role in manufacturing will continue.

3.17 pm

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is an honour to serve under your chairship, Mrs Moon. I thank the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) for securing this important debate. His commitment to our steel industry is unwavering, and it is a pleasure to work alongside him and all the other members of the all-party group on steel.

With a steel finishing plant in my constituency, much of my parliamentary time since becoming a Member has been dedicated to this subject. Fortunately, the future of that plant, and the plant in the constituency of my hon. Friend the Member for Motherwell and Wishaw (Marion Fellows), is known. I once again put on record my appreciation of the unions, the workers and the Scottish Government, and also of Tata and Liberty House. The task of saving Scottish steel was not an easy one, but we on the Scottish steel taskforce rose to it. The future of the industry in the rest of the UK, although not a certainty, looks more promising than it did a number of weeks ago. With seven bidders now interested in taking over Tata Steel's operations, I hope that colleagues around this room will soon be celebrating the saving of industry and jobs in their constituencies.

Stephen Doughty: I am glad to hear those words of support for the steel industry in the rest of the UK, but obviously we need action as well. Can the hon. Lady explain the apparently advanced stage of negotiations with Turkey for 10,000 tonnes of rebar and a £12 million contract for the Aberdeen bypass? That rebar could be bought from UK suppliers. Does she have any information on that, and does she agree that we need to do everything possible to ensure that UK suppliers are used?

Margaret Ferrier: More than £115 million has already been awarded to subcontractors based in Scotland, and with an estimated £60 million of subcontracts still to be advertised during the construction phase through the Public Contracts Scotland website, there is still plenty of opportunity for other UK-based companies to bid.

As Members will no doubt be aware, however, the celebration will be short-lived. The steel industry still faces some fairly hefty challenges, and it is up to us to continue piling pressure on the Government to ensure that the correct measures are taken, to safeguard the industry and protect jobs. It would be remiss of me not to recognise the measures that the Government have so far taken. Efforts have been made to help steel and other energy-intensive industries, for which we are all grateful. More undeniably remains to be done, and it is not only about taking action; it is about a shift in the Government's thinking. In Scotland, the approach is to view steel as a vital strategic asset. The Scottish Government have outlined their vision for the industry and, in doing so, their commitment to it. As resilient as our centuries-old steel industry has been, it will survive only with the proper support. That means taking steps to address the

unfair playing field of the global market. The industry wants the anti-dumping investigation process to be hastened—it is much more rapid in the United States than in the EU. I would like the UK Government to take UK Steel's recommendation on board and, through the European Council, work with the Commission to set out a clear action plan and timetable for changes to speed up the process.

Action must also be taken on the lesser duty rule. We are clearly at an impasse between what industry has been calling for and what the Government are prepared to do. UK Steel has made pragmatic suggestions of ways to change how tariffs are calculated without necessarily scrapping the rule. I would like the Government to engage with it to find a steel sector solution that will ensure that future duties are robust enough to tackle unfair imports.

As I have mentioned many times, we continue to head towards market economy status for China, without properly addressing the dumping issue. The industry has issued grave warnings that that could lead to serious job losses across many sectors, and I would like a proper response from the Minister about how China can be given market economy status while the effectiveness of the EU's trade defence instruments is preserved. I would also like to know more about what further action has been taken on energy costs. We are at a disadvantage compared with other European countries, and I should like a full and frank response on how wholesale costs are to be brought down.

3.23 pm

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship, Mrs Moon. I thank my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), a great parliamentary champion of steel, for securing this all too crucial debate. I also thank him for giving evidence to the Select Committee on Business, Innovation and Skills on 28 April, during its inquiry on the UK steel industry, as a follow-up to our December report. Yet again he gave the Committee his valuable insight and wisdom about, and experience of, the industry. Steelworkers and the steel industry could not be better represented in this place than by my friend and colleague.

Reference has already been made to trade defence instruments and market economy status, and I will not dwell on them. I want to focus on three things: time, confidence and Government action. On the question of time, I do not think anyone can be any doubt that, given the scale and relative complexity of the operations, the sale of Tata's steel business will not be a straightforward or quick process. Such sales take years to plan and execute. Although it is welcome that there are seven bidders expressing an interest, and a firm offer is needed sometime after 23 June, due diligence and negotiations on matters such as the pension scheme will take time. Bimlendra Jha, the chief executive officer of Tata Steel in the UK, said to the Select Committee that with the kind of losses that Tata is enduring,

“urgency is important. We cannot continue to bleed.”

He would not commit to a definite timescale, nor to keeping all steel facilities in the UK open and all jobs safeguarded within those facilities until such time as a buyer is found and a deal formally done.

[Mr Iain Wright]

That being the case, the role of Government is crucial. What can the Government do to safeguard assets, capability and employment during this potentially lengthy sales process? Will the Minister articulate further the nature of any co-investment? Would the Government provide bridging finance and other help to cover the transition between Tata ownership and the new owners of the business?

Anna Turley: Does my hon. Friend share my view that it would be helpful if the Government set out some of the criteria that they are considering in relation to co-investment and support?

Mr Wright: That is crucial. Any such commitment would provide much needed confidence in our steel industry, as well. It is a foundation industry that is strategic in its importance to the economy and vital to our manufacturing base.

That brings me on to my second point: confidence. I have pushed the Minister and the Secretary of State on the matter, because it is of central importance. The Minister heard that for herself from the local management and workforce when she visited the Hartlepool pipe mill a couple of weeks ago. Suppliers and customers have the perception that the Tata steel business will not be there in a couple of months' time, as it might have been pushed into administration. Suppliers, certainly in our part of the country, have had their fingers burned with the closure of SSI. They do not want to be an unsecured creditor in an administration situation, with the likelihood of receiving no money and being out of pocket, and the possibility that their own business will come under threat.

Customers for Tata's steel products, especially in sectors such as energy, infrastructure and oil and gas, have very long-term horizons in their requirements. They want to be certain that their orders will be there. If they are not, they will look elsewhere. That is not in the long-term interests of the UK steel industry or the viability of Tata's successors. Credit lines and insurance are being withdrawn, and I cannot stress how important that is. What else can the Minister do—I know that she has worked hard behind the scenes—to provide extra reassurance, further commitments and definite indicators of confidence? Perhaps that would include the public sector placing orders with Tata Steel.

That brings me to my third point, which is about Government action. Procurement is one of the industry's requests for Government action, and that theme flows through my other points. The Minister must be aware that she has not delivered in full what could be provided for the steel industry. Everyone is aware of the massive global forces at work, with steel prices and overcapacity, but Mr Jha told the Business, Innovation and Skills Committee that UK steel manufacturers suffer from structural weakness—business rates, energy costs and procurement. What is the Minister going to do about that? We should not be looking to the past. Although we should celebrate our steel past, we should look to a future with steel as a massively important part of a modern manufacturing industry.

Several hon. Members *rose*—

Mrs Madeleine Moon (in the Chair): Order. Despite the generosity of the Scottish National party spokesman in offering to reduce his speech time, I am going to have to reduce the time to three minutes.

3.27 pm

Christina Rees (Neath) (Lab): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) on securing this most important debate.

Steel and the steel industry are vital to the UK, Wales and my constituency. The Tata steel plant in Port Talbot is in the neighbouring constituency of Aberavon and the Trostre plant is in the nearby constituency of Llanelli. Hundreds of my constituents go to work in those places every day. I have personal knowledge of the community that has grown up around the plants. My father worked at the site of the Steel Company of Wales, which is now Tata Steel. When I was at Cynffig Comprehensive School I played hockey for the Steel Company of Wales. It was the centre of the community. The plant put food on our plates at home and contributed enormously to our social and sporting lives. The same sense of community is felt today by the 4,500 workers and their families who still work at and depend on the plants.

A constituent of mine, Andrew, started as a technical apprentice at British Steel, Port Talbot, in 1994 and worked his way up to the role of laboratory manager. Having spent his entire working life at Port Talbot, Andrew is passionate about steel and the steel industry and is committed to its future in the local community, often championing the company and the apprenticeship schemes. Andrew has made a great many friends over the years, and many of these friendships are forged in a way that cannot happen in other industries; 12-hour shifts in a challenging environment pull people together in a way that makes them feel more like family, and when pain is felt by their colleagues it is felt by all.

Anna Turley: Does my hon. Friend share my view that when a community is hit by a tragedy such as this, it is incumbent on all of us—Government, Members of Parliament and everyone—to make sure that the community sticks together and that people are supported through a difficult time?

Christina Rees: I wholeheartedly agree with my hon. Friend. It is time to work together. The uncertainty over the past 12 months has been greater than at any time in Andrew's 21-year career. Owing to the cyclical nature of the steel industry, there have always been highs and lows. Andrew told me about his personal experience of the past few months:

“Back at the end of 2015 I wondered how we can continue with the losses being incurred. Time and time again, Tata asked the Government for help with trade restrictions, yet, month after month we were informed that our losses were huge.”

From initial despair to waves of hope, the plant continued to operate under the most trying of circumstances.

I have asked questions in the Chamber, but I wish to press the point again. Will the Government use the current threat to the UK steel industry as an opportunity to change the way we do things, so that innovations and a thought-through structure can be established that will protect the steel industry for many years to come?

Innovation is already taking shape in Neath Port Talbot. SPECIFIC—the sustainable product engineering centre for innovative functional industrial coatings—is an academic and industrial consortium led by Swansea University, involving several strategic partners, and funded by the Engineering and Physical Sciences Research Council, Innovate UK and the European regional development fund via the Welsh Government. SPECIFIC’s vision is to deliver buildings that generate, store and release their own energy, which is an example of a radical and transformative energy solution using buildings as energy systems. Steel is a key element of that, and SPECIFIC is working with Port Talbot steelworks and its downstream operations to develop functional coatings for steel, which rely on high quality steel. Together, they are creating a pipeline of products for the future that will help to ensure that we have a sustainable and competitive steel industry.

SPECIFIC and Tata are working on innovation in construction, and those products and systems, such as solar integrated roofing products and new forms of heating system, are already entering the marketplace. Steel from Port Talbot is being turned into systems in Shotton. No matter what the asset base or ownership of any future UK steel model, technology and innovation are critical, and it is equally critical that such technology and innovation are in close proximity to the major steel-making sites.

3.31 pm

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Moon. I praise my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) for leading the debate with such knowledge, passion and authority, as he always does.

There have been some excellent contributions so far, and I will focus on a few specific points, rather than reiterating things I have previously said in our many debates on steel. As always, I pay tribute to the Celsa workforce and management in my constituency, and to the work of Community, GMB, the other trade unions and UK Steel. I praise Carwyn Jones, the First Minister, for his leadership in recent months. He has worked constructively with the UK Government on these issues. His leadership was head and shoulders above the others’, and it is deeply concerning to hear in the last 10 minutes that apparently the Conservatives, Plaid Cymru and UKIP have voted together to block his reappointment as First Minister, which is quite extraordinary when we need a First Minister in Wales to get back on with addressing crises such as the steel crisis.

I reiterate my point about the EU. We are approaching the referendum, which is a crucial decision for the country, but it is also a crucial decision for the steel industry, the engineering industry, the automotive sector and all those other sectors about which my hon. Friends have spoken. It would be a body blow to the steel industry for us to come out of the EU, particularly given the single market and the lack of clarity on what sort of market we would have were we to come out. The Minister knows my views about market economy status and the lesser duty rule, and all I would ask is what the Government will do in the European Parliament and at the Foreign Affairs Council on 13 May on the issue of China. Will they continue to press the issue in Europe?

Ultimately, it is what the UK Government do on this in Europe that matters. We can achieve more for the steel industry by working together across the continent.

Briefly, on net energy costs, which are particularly important to Celsa as it uses an electric arc furnace, UK Steel rightly points out that:

“electricity costs make up 11% of an integrated steel plant’s marginal costs and 20% for an electric arc furnace.”

Yet we are still seeing prices that are uncompetitive. Despite the energy intensive industries compensation package, we are still seeing prices that are in the region of 25% higher than in Germany. What consideration has been given to any further review of the carbon price floor and the climate tax impact? What about network costs and wholesale costs? Are there additional measures that could be taken there?

Finally, on procurement, worrying information about the Ajax vehicles was shared in the *Daily Mirror*, which has been leading the way in campaigning on steel. The majority of the steel for those vehicles will come from Sweden, and 489 hulls will be built in Spain before being brought over to Merthyr Tydfil. Surely that cannot be right. Can the Minister provide any assurances about the new Type 31 frigates? Indeed, can she update us on whether the Ministry of Defence is keeping accurate records? Obviously, if we do not know what the records are, we do not know where the steel is coming from and we cannot take the necessary action.

3.34 pm

Tom Pursglove (Corby) (Con): It is a pleasure to serve under your chairmanship, Mrs Moon. I am grateful for the opportunity to speak this afternoon. I will address the two key issues of business rates and dumping—I raised the latter earlier at Prime Minister’s questions. Clearly, firmer action needs to be taken on both issues. Very little progress has been made on business rates. The opening remarks of the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) were relevant, and the Government should consider exempting the steel industry from those charges.

The point I made at Prime Minister’s questions related to dumping, which is key to this debate. I had a good meeting yesterday with the Industrial Communities Alliance, which raised its concerns in the strongest possible terms. Clearly, when we look around the world, other countries are taking robust action on Chinese dumping. The Obama Administration, with which I disagree on a lot of issues, has taken strong action, and rightly so. We have seen duties of 288% imposed. What consideration have the Government given to such steps as part of the international comparison group? That group has met, and we should learn lessons from around the world where we can.

I am also aware that the lesser duty rule will be discussed at the June European Council meeting, so it would be interesting to know whether the Government have any scope to review their position in advance. The key debate in Corby at the moment, however, is on the future of the Corby Tata site. People are rightly worried about what the future holds, and it is encouraging that considerable interest is being shown in obtaining the portfolio, but it must be the right deal. Confidence will be key to that. Ministers have been right to talk about the importance of confidence for buyers and suppliers.

[Tom Pursglove]

We need more of that confidence, and we need more of that work. We need the Government to wade in and make the case.

Long term, the future of the industry will depend on strong action on dumping and more work on the other asks. In particular, bringing forward the energy exemption package might help. I am grateful to the Minister for coming along with me to the Tata site in Corby a few weeks ago. We met the excellent Labour leader of the council, who has been very good on this issue, on which we work closely—it is important that we put party differences to one side and work together. The message was clear: the industry, and the Corby site in particular, needs time and investment. We have a strong plan in place, and we need the opportunity to see it through. Anything the Minister can do to help us achieve that would be hugely appreciated by me and my constituents.

3.37 pm

Neil Gray (Airdrie and Shotts) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. I start by paying tribute to the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) not only for securing this debate and for his robust speech but for his stout defence of the steel industry during his time in Parliament and previously as a regional trade union organiser. I also pay tribute to Community and the other unions for their work and drive to save the steel industry in Scotland and elsewhere.

We have heard some useful contributions today, including from the hon. Gentleman, and the message that stands out to me is that the steel industry has a future. It is not a basket case. I absolutely agree, and that is the fundamental base from which we must approach the issue and upon which it must be grounded. We must talk up the industry as he did, not talk it down as others have in the past.

The hon. Gentleman and almost every other speaker in this debate posed serious questions to the Minister regarding the lesser duty rule and tomorrow's vote on Chinese market economy status, to which I hope she will respond. We have heard contributions from the hon. Members for Scunthorpe (Nic Dakin), for Torfaen (Nick Thomas-Symonds), for Alyn and Deeside (Mark Tami), for Warwick and Leamington (Chris White), for Newport East (Jessica Morden), for Ogmores (Chris Elmore), for Aberavon (Stephen Kinnock), for Penistone and Stocksbridge (Angela Smith), for Thirsk and Malton (Kevin Hollinrake), for Bury St Edmunds (Jo Churchill), for Redcar (Anna Turley), for West Bromwich West (Mr Bailey), for Cardiff South and Penarth (Stephen Doughty), for Hartlepool (Mr Wright), for Neath (Christina Rees) and for Corby (Tom Pursglove) and from my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier). The very good debate we have had, to which they all contributed, and the turnout for it are a tribute to the industry.

It is worth stating on the record again that the Scottish National party Scottish Government have worked determinedly to find a new operator for the Dalzell and Clydebridge steel plants, and to maintain industrial steel production in Scotland. We said that we would leave no stone unturned and that is exactly what we did.

It is also vital that the UK Government now work more co-operatively with the EU on anti-dumping measures, and bring forward a credible strategy—

Angela Smith: Will the hon. Gentleman give way?

Neil Gray: I have given a commitment that my speech will be very brief, to allow steel MPs to have their say, so for that reason I will not take interventions.

The Government must bring forward a credible strategy for heavy industry in the UK and take similar concerted action to save steel plants, steel jobs and steel communities in England and Wales. There have been job losses at UK steel plants for a number of years, especially as a result of Chinese steel, as has been outlined. The warning signs were there for the industry. The UK Government have been slow to act in the face of these challenges.

We urge the UK Government to work with trade unions and potential investors as the Scottish Government have done, to find a future for the workers at the English and Welsh steel plants. In the short term, it is critical that strong anti-dumping measures are secured with our EU partners. Whereas the EU imposed a tariff of up to 16% on dumped Chinese cold-rolled steel, the US recently fixed duties on it at 266%. As the hon. Member for Corby said at Prime Minister's questions earlier today and indeed in this debate, we wonder whether the Prime Minister's recent meetings with the US President, Barack Obama, allowed him to learn from the way that the US has acted in this regard.

The Business Secretary was reportedly the ringleader in blocking the EU's attempts to regulate Chinese steel entering Europe—that is according to a spokesperson for the European Steel Association. That would be indefensible. Moreover, the Scottish Government have been excluded from talks on steel dumping, which is also outrageous, despite our request to be involved because of our interest in Scottish plants.

I take the opportunity again to pay tribute to and congratulate the hon. Member for Middlesbrough South and East Cleveland on securing this debate, and I offer our support and solidarity as he and others in this House work to deliver a bright future for the steel industry in this country.

3.42 pm

Kevin Brennan (Cardiff West) (Lab): It is a pleasure to serve under your chairpersonship for the first time, Mrs Moon.

I too congratulate my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), both on securing this debate and on the promotion of Middlesbrough Football Club. I am just sorry that it is not Cardiff City being promoted this year. One of the proudest moments I ever had was being awarded the man of steel award by his union, Community, when I was first a Member of this House and campaigned on the Allied Steel and Wire pension scheme, but he is absolutely a man of steel. What he does not know about the steel industry is simply not worth knowing.

I also congratulate my other hon. Friends and other hon. Members for their contributions, including my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith), who mentioned Bessemer Road in Sheffield.

As an example of the links between different steel communities, there is also a Bessemer Road in the constituency of my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), bordering on my constituency. That just emphasises the links and the sense of community and solidarity between different steel communities.

I also congratulate my hon. Friends the Members for Aberavon (Stephen Kinnoch) and for Redcar (Anna Turley) on their contributions. She has defended her constituents with incredible passion and energy, and I just want to express our solidarity with her and her constituents over what has happened in Redcar. My hon. Friend the Member for West Bromwich West (Mr Bailey) reminded us of the wider economic impact of steel making, particularly in his region, the midlands.

Although I welcome the expressions of solidarity from the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier), I must say that I thought what she said about the Aberdeen bypass, after an intervention by my hon. Friend the Member for Cardiff South and Penarth, was staggeringly complacent. It was a breath-taking answer that did not practically express the solidarity with steelworkers in Wales, England and other parts of the United Kingdom in the way that we had expected. There needs to be some more reflection on the importance of that solidarity being expressed right across the United Kingdom.

I also congratulate my hon. Friend the Member for Hartlepool (Mr Wright), the Chairman of the Business, Innovation and Skills Committee, who is doing incredible work on this subject in that role. My hon. Friend the Member for Neath (Christina Rees) again spoke with passion about the importance of the steel industry in her community.

My hon. Friend the Member for Cardiff South and Penarth told us the incredible news that the Conservative party, Plaid Cymru and the UK Independence party have just formed an alliance in the Welsh Assembly to block the appointment of the Labour First Minister. They have no mandate to do that, and to do it at a time when we are in crisis over the steel industry is the kind of game-playing politics that will not be forgotten in our steel communities in the future.

I also congratulate the hon. Member for Corby (Tom Pursglove), who represents a very important steel-making community in this House, and the hon. Member for Airdrie and Shotts (Neil Gray), who spoke for the Scottish National party at the end of the debate, on their contributions.

I will not speak for too long because I want the Minister to have a chance to respond to the debate and I also want my hon. Friend the Member for Middlesbrough South and East Cleveland to have at least a brief opportunity to respond to her remarks. However, we are in a situation now where we can see the impact on our economy of what is happening in the steel industry. Manufacturing crawled ahead with 0.1% growth in March, barely reversing the 0.9% decline we saw in February, and output in the sector is 1.9% below what it was a year ago. Those are the worst figures for the last three years. The recovery is not happening in manufacturing.

“The march of the makers”—[*Official Report*, 23 March 2011; Vol. 525, c. 966.]

is not occurring in manufacturing. We know that the plight of UK steel, drowning under the flood of Chinese steel, has contributed to that, as well—obviously—as the uncertainty over the Brexit referendum and so on and the impact that is having on our industries.

We are seeing the impact in things such as the closure—the unnecessary closure—of the Redcar steel plant. Basic iron and steel manufacturing is down 37.3% a year on from the figures in March 2015. That is the sort of impact that this situation is having. I will quote Lee Hopley, the chief economist of EEF, the manufacturers organisation. I think the Minister criticised me for quoting the EEF in a previous debate, but Lee Hopley said:

“There isn’t too much in the data to lift economic spirits as a small increase in manufacturing output in March doesn’t change the picture of an overall weak start to the year.”

That is the economic background to today’s debate. We cannot afford to let the steel industry in this country die, because if it does the impact will go far beyond the steel-making communities that we have heard so much about today.

I will just reiterate the key points that the Minister needs to address, following this *annus horribilis* that we have had in the steel industry under this Government’s leadership. It is not all the fault of the Government, but it is their responsibility to respond, and to respond quickly and effectively.

As my hon. Friend the Member for Middlesbrough South and East Cleveland said, the insufficient action on trade defence mechanisms is the first charge against the Government—their slow response. More important is the lesser duty rule, which my hon. Friend also mentioned. Why are the Government still resisting getting rid of or reforming the lesser duty rule, but instead leading the opposition in Europe? Why are the Government not moving ahead with the reform of business rates that has been mentioned by so many speakers today?

There has been a failure to provide the bridge to the future in Redcar. We know what the implications of that failure are. We also know that the steel industry is not a dying industry. As my hon. Friend said, seven potential buyers have come forward to show interest in purchasing the remaining Tata/SSI assets. However, my hon. Friend also said there is a possibility that Tata itself might still be interested in this situation. What is the Minister’s response to that? Is that a serious possibility? Can she tell us anything about that?

Also, can the Minister tell us whether the Government will now swallow their pride and admit that they need to have an industrial strategy and to call it an industrial strategy, and to set it out clearly for us? Can she also answer the points that my hon. Friend made about the catapult and the importance to the UK steel sector and to research and development for the future, if we are going to have a future for our steel industry?

Mr Betts: Will my hon. Friend give way?

Kevin Brennan: I will not give way, because it would be unfair of me not to leave enough time for the Minister and my hon. Friend the Member for Middlesbrough South and East Cleveland to respond to the debate. However, I note the presence of yet another Sheffield MP here in debate.

[Kevin Brennan]

As I said, the Business Secretary should swallow his pride over an industrial strategy. What assurances can the Government give us that there will be sufficient time for the sale? None of us is convinced that the current timetable is necessarily achievable. What more will the Minister do on procurement, on making sure that the customer base is preserved, on making sure the highly skilled workforce are not lost and on taking action on tariffs? Finally, will she recognise the danger for our industries of market economy status being granted to China?

On that point, and to allow the Minister and my hon. Friend the Member for Middlesbrough South and East Cleveland sufficient time to respond to the debate, I conclude my remarks.

3.49 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is an absolute joy and pleasure to serve under your chairmanship this afternoon, Mrs Moon. As ever, it has been a very good debate. I nearly said that we have had the full set that we always have in a debate on steel, but we are missing from the Public Gallery the excellent Mr Roy Rickhuss, who leads the outstanding Community union. I am sure he will be following these events and reading about them in *Hansard*.

As ever, I pay tribute to the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) for securing this debate. I also pay tribute to all those who work in our steel industry—management and workers—and to all those, including the unions, who have been playing such an outstanding role in this incredibly difficult past 12 months. I make it very clear that I want to make a complaint about the hon. Gentleman, because I think he had a quick look at my speech. I thought it was brilliant that he opened on that very positive note. I wanted to do that in my speech.

Unusually for me, I will read certain things out, including quite a few facts and figures, because I want to make it absolutely clear that there is no disagreement among us on this: we all believe that steel genuinely has a future in the United Kingdom. There is no debate either about the quality of the steel we make here and the outstanding quality of the workforce.

We know that it is important—“vital”, in the words of the Prime Minister—that we have a strong British steel sector. In economic terms, steel was worth some £1.7 billion in 2014, representing 0.1% of the total UK economy. At that time—sadly, it is not the case now—it employed 34,500 people. As so many Members on both sides of the House know, the steel industry is a critical, integral part of many places and communities. The Government are clear that the steel industry has a viable long-term future in the United Kingdom, and that is why we have taken unprecedented action.

I have to chide Opposition Members. My hon. Friend the Member for Corby (Tom Pursglove) praised his local Labour leader because he does not care what party they represent; they are working together and fighting in the right way in the interests of everyone at Corby. I am sometimes a little saddened that Opposition Members never give some credit for the outstanding work that this Government have done in relation to the future of the steel industry.

Mr Iain Wright: Don't push it!

Anna Soubry: I will push it now, because I always like a challenge.

Mr Betts: Will the Minister give way?

Anna Soubry: In a moment. I am happy to allow the hon. Gentleman a quick name check, but I want to make this point first: this Government have taken unprecedented action and given unprecedented support for our steel industry. This Conservative Government have said that we are willing for a potential buyer to look at investing hundreds of millions of pounds of taxpayers' money by way of debt financing. That includes looking at power plants, notably at Port Talbot, so that we can keep those blast furnaces open. We are also looking to take up to a 25% stake or share in that new company. That comes from a Conservative Government. If anyone had said that 12 months ago, they would have been laughed at. That is how seriously the Government take the importance of the steel industry, and that is what we are prepared to do.

We know that there is a bright future for the UK steel industry. Just look at what has happened in the past few months. Not only has Liberty House bought Tata's Scottish plate mills at Dalzell and Clydebridge—I was delighted to be there when Tata literally handed the keys over to Liberty—but it has also brought most of the Caparo assets out of administration. We think that that might have saved up to 1,000 jobs. The continuing sale to Greybull of Tata's long products division based in Scunthorpe is further evidence that the industry has a viable future.

The Government are committed to the record infrastructure investment programme. That is only possible because we continue to take the difficult decisions to keep the economy strong. HS2, Crossrail, the new aircraft carriers and the unprecedented procurement rule changes for publicly funded projects that we have made in recent months mean that the United Kingdom's steel industry can compete and will win major public contracts.

I very much agree with the hon. Member for Cardiff South and Penarth (Stephen Doughty). I was very pleased to visit the outstanding Celsa steel plant based in his constituency just a few months after my appointment last year. He levelled criticism at the SNP in Scotland and the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier). It really is not on. If I said, “Go and check out a website,” I would rightly be derided by Opposition Members, and properly so. The Scottish Government have to put their money where their mouth is and change the procurement rules. They have to copy and learn from what the United Kingdom Government have done and ensure that that steel in Aberdeen is going to British plants. There are no excuses now for that not happening. I am very proud of what we do.

Mr Betts: Something else that the Government can do is deal with the problem of energy costs for the UK industry. They are 85% higher than the costs for the German industry. Is the Minister going to act on that?

Anna Soubry: We have acted. Not only have we now got the compensation package up and running—we are paying out tens of millions of pounds—but from 2017 energy intensive industries will find themselves exempt.

Mr Betts: Eighty five per cent higher!

Anna Soubry: The hon. Gentleman can keep on shouting, and I will start to fall out with him. I am happy to say that I will be visiting his constituency and the steelworks there. As he knows, he will get an invitation, just as everyone always does. In Sheffield, we have good examples of outstanding steel makers and ability. Some 50,000 tonnes of Celsa's UK steel has been used in Crossrail—the biggest construction project in Europe, built almost exclusively using British steel. Some 95,000 tonnes of British steel was used in the construction of the new Elizabeth aircraft carriers, and Network Rail sources 98% of its steel rail from the United Kingdom—as we all know, it comes mainly from Scunthorpe.

On the point about Ajax, a large part of that steel was unfortunately not made in this country. The remainder was certainly going through a UK buyer. There is of course more that we could do, but we are mapping out indicative quantities of steel for key projects in the infrastructure and Government construction pipelines, including HS2, new nuclear and offshore wind. One piece of work that I am determined to carry on doing relates to fracking. There is a huge job that can be done that will have huge benefits for our steel industry. I will speak bluntly: we have to get on with fracking. I met representatives of that industry only recently. We know that fracking could have real benefits for our steel industry. It was a great joy and pleasure to go to the plant in Hartlepool, which also has excellent unions, good management and an outstanding workforce and is hugely important for that community. They make an outstanding product. They do not make the seamless pipes that have to be used for fracking, but I do not see why we cannot look at making their pipes absolutely compliant so that they can be used.

I had another great visit going up to Rotherham to meet Members who represent the steelworks there. It also has an excellent workforce, outstanding unions and good management with a credible plan and a long-term future. I am proud, as we all should be, of the fact that one third of all landing gear apparently has a component made in Stocksbridge. I was also told that every aeroplane in the world has at least one component made from steel from Stocksbridge.

John Healey (Wentworth and Dearne) (Lab): And Rotherham.

Anna Soubry: Of course. It is important to say that it is Rotherham and Stocksbridge steelworks. Those are just some of the examples of our outstanding and world-leading steel sector. We can talk about Rolls-Royce engines and Formula 1 cars. Tata Steel has supplied more than half a million tonnes of strip steel to leading companies in the UK's auto sector, including BMW, Mini, Jaguar Land Rover, Vauxhall and many others.

Unfortunately, the clock is against me, and I have not addressed all the points that the hon. Member for Middlesbrough South and East Cleveland made. I know that he wants to talk to me about the Materials Processing Institute, which officials visited yesterday, and I think we are making real movement there. Mrs Moon, forgive me; I have not been able to deal with all the excellent points and speeches that have been made. The hon. Member for Penistone and Stocksbridge (Angela Smith) makes good points about research. She knows that we continue to talk on that. I cannot say much more about the process with Tata, but we take all those points, and we work unstintingly. I pay credit to the Secretary of State and the officials for the work they are doing to secure a viable future for our outstanding steel industry.

3.59 pm

Tom Blenkinsop: In winding up, I would like to say that the critical point about Tata being the eighth player remains fundamental. We still want to know what Tory MEPs will do tomorrow in relation to the market economy status vote. We need to see a legislative framework going from paper to actual action in terms of policy and an industrial strategy. The Government do have an industrial strategy, but we have to bear it in mind that in the past 12 months we have only seen action and promises made as a result of the tragedy at Redcar and a Prime Minister faced by Welsh elections and the European referendum.

Motion lapsed (Standing Order No. 10(6)).

Building Regulations

[STEVE McCABE *in the Chair*]

4 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): I beg to move,

That this House has considered the control and monitoring of building regulations.

It is a pleasure to serve under your chairmanship, Mr McCabe, for what I think is the first time you have presided over one of my speeches in Westminster Hall. I am pleased to have this opportunity to highlight what I believe to be the inadequacy of the current system of building regulation.

This debate comes at an opportune time because the Government are currently prioritising house building and pushing for more affordable homes to be built, which is a good thing. Nevertheless, I am concerned that, without a proper building regulation system, an admirable commitment to build more homes will have the unintended consequence of compromising the quality of those homes. Building regulation inspections are increasingly being undertaken not by local government inspectors, as in the past, but by approved inspectors employed by private building services contractors. The problem is that all too often those approved inspectors are not monitored to ensure that they undertake sufficient checks and are not accountable to anybody when something goes wrong.

To highlight the problem, I shall relate an example of how the existing building regulations system failed properly to monitor a builder to such an extent that it put at risk the health of homeowners. In my constituency there is a row of houses that was built between 2007 and 2011. A couple of years ago I received a complaint from one of the residents, who alleged that his drinking water had been contaminated with sewage. When I investigated, I discovered that the local water company had no knowledge whatever of the houses, which were a later addition to a larger development where no problems had been recorded. It is worth noting that the houses in question were never registered with the Land Registry, which caused another problem I had to sort out—but that is a story for another day.

It seemed that the water company had never supplied drinking water to the row of houses or cleared the waste water system that had been installed. It turned out that the drinking water supply to the houses was linked to another house in the original development, and that house was supplied by the water company. The builder paid the very large bills run up by the house, which he apparently owned, and in turn billed the new houses, none of which had a water meter. In addition, the builder had installed in the road a waste pumping station that was serviced by a fish-pond pump that regularly broke down, resulting in blockages. Mr McCabe, you simply could not make it up. On at least one occasion, when the tank was full the builder was seen pumping the sewage out on to the railway line next to the development. The water company for our area and the National House Building Council are now in the process of designing a proper waste system for the

homes, which have all suffered from waste water leaking into their foundations, leading to smells and, in some houses, rats.

During my investigation, I also discovered several other building defects in some of the homes, including dangerous gas pipework that had been installed by the builder without contacting a gas supplier. I immediately raised the matter with my local authority, Swale Borough Council, which explained that the building regulation inspections had been undertaken not by the council but by a private building services company. The council insisted that it had no authority or responsibility to monitor inspection work undertaken by a private company, although it would be more than happy to take on such a responsibility.

When I contacted the private building services company, it was very helpful. The company insisted that its inspections were in accordance with the building control performance standards issued by the Department for Communities and Local Government, and I am sure that they were. The guidance requires an approved inspector to determine a risk-based inspection regime, but accepts that it is not practicable to inspect all items of work relating to the building regulations.

The company said:

“The overall responsibility for achieving compliance with the building regulations rests with the builder.”

At first, I could not believe that that was the case. However, it was confirmed to me by a Minister in the coalition Government when I met him after tabling an oral question to ask that local authorities be

“given powers to force independent building control inspectors to ensure that there is proper compliance with building regulations.”

I have to say that at that meeting it soon became apparent that there was no appetite to beef up the regulatory system.

Allowing builders to police themselves is probably fine in theory, particularly when we are talking about responsible builders, but it is certainly not satisfactory in practice when dealing with people like this particular builder—to call him a cowboy would be to insult Roy Rogers and the Lone Ranger. One of the affected residents had so many problems with her house that I eventually persuaded the NHBC to pay for her to have a structural survey. That report makes frightening reading.

Mrs Maria Miller (Basingstoke) (Con): I congratulate my hon. Friend on securing this debate. He is right that we are not experts and so rely on an independent approved inspector to ensure that building regulations are adhered to. Does he share my concern that, although approved inspectors are regulated by the Construction Industry Council, not one of them has ever been struck off regarding the quality or professionalism of their work?

Gordon Henderson: I agree that it is about accountability. I will come on to that issue, so I am pleased that my right hon. Friend raised it.

As I said, the report makes frightening reading. I shall read out just five of the 27 findings listed in the survey:

“Finding No 1: Generally: The property was found to be constructed to a very poor standard. We found numerous breaches of Building Regulations that would have been in place at the time

the property was constructed. We have serious concerns over significant elements within the building that, if left without further attention, may pose health and safety risks to occupiers and users of the building.”

Finding No. 6 states:

“Structure/Floor: The beam and block floor within the garage has not been designed to meet the minimum loading requirements. This has subsequently resulted in its collapse. Exposed beams within the garage did not appear to have the minimum bearing on the supporting structure.”

My fear on reading that finding is that the rest of the ground-floor beams have been constructed in the same way.

Finding No. 7 reads:

“Structure/Upper Floors: Deflection and bouncing of the floorboards was noted to the upper timber floors. Movement of the floors has caused spot lights to fall from the ceiling.”

Finding No. 20 is on drainage:

“The mains foul sewer and drainage system serving the property do not discharge to a suitable drainage system in accordance with Approved Document H: Drainage and Waste Disposal.”

And finding No. 23, on lighting and electricals, states:

“Internal lights work intermittently suggesting that there may be issues with the electrical wiring and supply.”

Those are just a few of the damning condemnations. It is scandalous that any builder should be able to get away with such dangerous work. However, it is even more scandalous that nobody appears able to do anything to bring the builder to book. The local authority, the approved inspector and NHBC can do nothing, and it appears that the Department for Communities and Local Government can do nothing, too.

It would be bad enough if this case were the sole example of the lack of accountability in the construction industry, but unfortunately I have other examples of homeowners who have been unable to receive redress for poor quality work by builders, some of which are large national housing development companies. Let me give one example. In my constituency, there are a number of 12-flat residential buildings, in which the heating and hot water supply to the flats is supplied by just two domestic boilers. I am no heating engineer, but even I can see that such a system cannot cope with the demand, particularly in the winter, so it is hardly surprising that over the past couple of winters I have received regular complaints from tenants in the flats about a lack of heating and hot water. I arranged for a local heating company to investigate those complaints on my behalf. It said in its report:

“All boiler rooms throughout the estate have the same problem. Most boiler room faults are caused by leaks in the copper pipework, the leaks become worse, soak electrical components and the system fails. Boiler room 5 has had ongoing issues with lack of hot water temperature. There is a constant flow of water being drawn through the cylinder and the recovery is not quick enough to maintain a constant temperature. All copper pipework throughout the estate appears to be substandard quality and has resulted in regular leaks.”

I eventually contacted the plumbing company that worked on the original system. It said in its response that it did not design the system, but it made this very interesting comment:

“It was evident on completion that the system design was flawed and we raised this continually with the developer”.

I took up the matter with the developer, who refused to accept responsibility and insisted that the system was adequate when it was installed and that the problem was a maintenance issue. They advised me to contact the property management company, which I subsequently did. That company eventually hired the local heating company, which had produced the report—whenever it is called out to a breakdown, it tries to patch up the system as best it can in the circumstances.

That heating system is still not working properly and does not provide sufficient hot water to all the residents. The whole system needs replacing, but the costs of undertaking such a major exercise would have to be met by the current tenants, because their lease states that they have to fund work undertaken by the property management company. Because the developer refuses to accept responsibility for what was patently a design fault during the original construction phase, they are getting away scot-free. That cannot be right. Sadly, that is not an isolated incident, as my mailbag can testify. Once again, there appears to be no accountability and nobody, except me, to whom the affected residents can turn for help, but I am limited to hitting my head against a brick wall of indifference.

I would like to talk about which regulations are actually enforced. Currently, the building regs require buildings to have a range of measures that are deemed necessary to make houses more energy-efficient or healthier for the residents. For instance, they require that all new buildings have extractor fans in bathrooms and kitchens, are properly insulated and have smoke alarms, but they do not require developers to install building alarms or burglar-proof windows and doors to a standard approved by the local police. That seems very short-sighted. It highlights the fact that current building regulations are simply out of date.

The truth is that the system is simply not working, not least because those charged with regulating building work are not themselves regulated. The time has come to undertake a review of how the building regs are monitored and enforced. My own preference is for local authorities to be given the ultimate responsibility for taking enforcement action against builders who do not comply with regulations and the approved inspectors who are supposed to ensure they are compliant.

I am, by nature, somebody who believes that we British are over-regulated, but in this instance I believe that better regulation is needed. A house is the most expensive purchase that most people make, and they have a right to expect value for their money. Too often, they do not get it.

4.15 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): I congratulate my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) on securing this important debate on an issue that affects a great number of our constituents.

On the whole, the system of building regulations in this country—the system by which the work that builders do is monitored—is of a good standard, but that does not mean that it does not go wrong at times. I recognise my hon. Friend’s concerns, particularly given the terrible situation that he set out and the difficulties that his

[James Wharton]

constituent faced as a result of it. I do not want to comment too much on the detail of that case, simply because I do not sufficiently know the background. He referred to the specific to comment on the general, and I will therefore address the general—the overall system—in my comments.

It is appropriate that I first talk about the system that is in place for redress when people find that the properties they have purchased are not up to the standard that they expected. We recommend that such a person first complains to the person who carried out the work—the builder or the developer—and makes known to them their concerns about the work that they believe to be inadequate. Most responsible builders and developers will put right work that is not to the expected standard.

Should that not work, the next level of complaint is to the warranty provider if a new home warranty is in place. There are many different providers—NHBC, which my hon. Friend mentioned, is one of the largest—and they do a good job of ensuring that the standards that people rightly expect when they buy and move into a home are met, and that the system enables them to raise concerns about work that has been done. The consumer code for home builders provides protection if a home was built by a home builder that is registered with one of the supporting warranty bodies, such as NHBC, on or after 1 April 2010.

Should a constituent not find acceptable redress through those routes, there is the option to bring a civil claim against the builder in the civil courts and to pursue appropriate redress through the legal process. I have received a number of complaints about the process by which building control is carried out, but they are not focused only on approved inspectors. Local authorities, just like any other organisation, will not necessarily get building control right every single time. The reality is that the processes and the system that is in place allow these issues to be addressed at an earlier stage. I have set out some of the options that exist to enable redress to be found and problems to be rectified.

There are isolated cases—my hon. Friend spoke of one in his constituency—in which the impact is significant, but for some reason the system has not found a way to bring redress to correct the problems. I do not know whether civil action has been considered in that case, but that is the ultimate fall-back option for those affected by poor-quality building work—work that does not meet the standards that it should.

Gordon Henderson: I accept what the Minister is saying, but the biggest problem that people have is cowboy builders. The people who bought that particular property had no recourse to the courts because the builder maintained that he was subcontracted to another builder, who had subsequently gone out of business and had disappeared back to Europe. That is one of the problems that residents face today.

James Wharton: At the risk of giving legal advice to the constituent in question on the basis of my hon. Friend's explanation, helpful though it is—I do not want to stray into the specific legal position—when somebody buys something with a certain expectation, there is always the option of looking at whether a legal redress is the right course of action.

We also monitor and regulate the work that approved inspectors do. At the heart of my hon. Friend's concern, or at least one part of it, is the way the approved inspectors system regime is working for our constituents. The Construction Industry Council Approved Inspectors Register is the approval body for approved inspectors, and it has reviewed its activities. One of its recommendations was that there be periodic audits of approved inspectors to ensure that they are doing the work that we expect them to do, to the standard that we expect them to do it. CICAIR started carrying out audits last year to pick up issues with particular approved inspectors—hopefully, before complaints are raised. The Building Control Performance Standards Advisory Group has also strengthened the standards that apply to both types of building control bodies—local authorities and approved inspectors—to give better targeting of building control work.

The role of building control can only ever be as a spot-checking service. The issuing of a building regulations compliance certificate at the completion of work is not a complete guarantee of compliance throughout the process; it is only a spot check that seeks to hold developers and builders to account and to ensure that the standards that we expect are applied.

Mrs Miller: I thank the Minister for his thoughtful response. As he has already agreed, an important way to make the inspection regime more transparent would be to make the approved inspector's report available to people who are buying a new home. I would be grateful if the Minister would update the House on his progress in putting a new system in place.

James Wharton: I put on record my appreciation of the work my right hon. Friend has done in this area. She has been a powerful and effective advocate on behalf of her constituents when they have run into such problems. Indeed, in an Adjournment debate much earlier in this Session, we discussed some of the things that she wants to be done.

One of the ideas discussed was to modify the system to allow greater transparency of the process by which approved inspectors ultimately sign off work. Only the other week, I had a meeting with representatives of CICAIR to discuss initial proposals. It is something I intend to take forward, appropriately, to ensure that the system continues to work, while adding layers of transparency in line with my right hon. Friend's desires and her comments in the House during that debate.

I will be happy to write to my right hon. Friend with details of exactly where we are in that process, but I assure her that I have heard, loud and clear, the concerns that she has expressed—in particular during the earlier debate—and I intend to act on them and find a way to deliver the transparency that she and her constituents are looking for. There are some complexities within that; I want to ensure it is done in co-operation with industry and in a way that people across the field support, but I think it will be welcome and I intend to deliver it. I will write to my right hon. Friend to ensure that she is fully updated on where we are in pursuing that process.

If an approved inspector does not take all reasonable steps, a complaint may be raised with the regulatory body, CICAIR. It will investigate whether an approved

inspector has acted negligently or in breach of contract. It is also possible to make a claim against an approved inspector in the civil courts—that is another route by which redress may be sought—if they have not acted in accordance with the regulations or as they should, to give homeowners reassurance, and to give developers and builders reassurance that they are complying with the appropriate regulations.

Approved inspectors are, of course, insured. That should not be necessary and we hope that jobs are done properly, and we should not put unreasonable expectations on the process—as I said, it is a spot check, not a complete guarantee—but there is the option of civil recourse if people feel it to be appropriate. That is not advice, but it might be the right thing for them to do.

Gordon Henderson: We have been talking about how we can better regulate approved inspectors and bring them to book, but how, and where, is anybody able to bring a builder to book? There is no such recourse or mechanism. The builder whom we have talked about in the debate is still building houses. He has been struck off the NHBC list of approved builders, but he has probably signed up somewhere else. If that happened in any other walk of life, he would be in court, charged with a criminal offence, and be put in prison—and he is not.

James Wharton: I had anticipated my hon. Friend's concern, and I am about to talk about some of the ways in which accountability can be enforced, against not only the approved inspector but the builder, if they are in breach of our expectations.

Section 35 of the Building Act 1984 allows a local authority to bring a prosecution in the magistrates court for a breach of the building regulations. Prosecutions must be brought within two years of the date of completion of the building work and—I accept this is an area on which my hon. Friend might wish to have further discussion—approved inspectors have no powers to bring a prosecution. Further, section 48 of the Building Act prohibits a local authority from bringing a prosecution where an approved inspector is the building control body.

Where approved inspectors identify concerns that are not addressed, however—where they are not satisfied that the builder is doing what should be done—they may in effect step back from compliance; they may cancel the initial notice; and the local authority may then, if appropriate, step in to take the action of which I have spoken. We do not have centrally kept statistics on the number of prosecutions, or their outcome, or on how many prosecutions take place for reverted work from approved inspectors, but a regime is in place to ensure that local authorities can take action.

The constituency case to which my hon. Friend referred is a particularly extreme and complex one. On the level of the problems, I was especially struck by the comment that the properties were not registered with the Land Registry, which seemed odd to me. I do not know by

what process people could then purchase or occupy them. Concerns in the specific, however, may not necessarily or uniformly apply in general.

Gordon Henderson: I am grateful to the Minister for allowing me to intervene again. Not only were the properties not registered with the Land Registry, but one of the homeowners who approached me said that she had spent £10,000 doing her house up only to discover that she owned not that house but a house three doors down. Given that there was nothing with the Land Registry, it took my help to get things sorted out. That was the problem that I was talking about earlier. It is a total scandal, and the builder responsible is still out there working.

James Wharton: The specific case seems to be an extraordinary one. Of course, homebuyers would normally employ a solicitor of their own, whom we would expect to carry out inquiries in that area. Again without commenting on specific circumstances, given the limited information available, some of my hon. Friend's constituents may find recourse in looking at the process by which they acquired the homes, as well as the process by which the homes were built.

Clearly, the problems my hon. Friend discussed are specific and serious. I am well aware from his comments, and long-running contributions even before this debate, that he has concerns about the area. I also recognise and have commented on the contribution made by my right hon. Friend the Member for Basingstoke (Mrs Miller). She has been an effective advocate for her constituents.

I do not want to give the wrong impression of the role of approved inspectors, or whom they owe a duty to. They are doing a spot check, not providing a complete guarantee. They should and must act professionally; where appropriate, they are audited and regulated to that end. They have insurance to ensure that if anything goes wrong protection is in place for those who may be affected. We are looking at how we can increase transparency, following the powerful comments and the advocacy of my right hon. Friend, given her concerns about constituents.

I will continue to look at the way in which the process works. I am happy to continue to have discussions to that end with my hon. Friend the Member for Sittingbourne and Sheppey, who introduced the debate, but I cannot pretend that we will change the entire nature of the system. On the whole, it works well, it delivers the appropriate standards and most homes in this country are built to an extraordinarily good standard, by international comparisons. We should be proud of the system we have and of the people who work in and contribute to it, day in, day out. That does not mean that there will never be problems; where there are, we want to find ways to address them. I look forward to working with my hon. Friend and my right hon. Friend to ensure that we do that in the appropriate way, in the appropriate time.

Question put and agreed to.

Northern Ireland Economy

4.29 pm

David Simpson (Upper Bann) (DUP): I beg to move,
That this House has considered the Northern Ireland economy.

It is good to serve under your chairmanship today, Mr McCabe. This is a timely debate, with Northern Ireland having just had elections to the Assembly, and it would be remiss of me not to mention—or, as my hon. Friend the Member for East Antrim (Sammy Wilson) said, to gloat about—the success our party has had. May I pass on my congratulations to Mrs Arlene Foster, our party leader? I hope by tomorrow she will be the new First Minister for the next five years in Northern Ireland. That is the last bit of party politics I will bring into the debate, in case you chastise me, Mr McCabe, or I get some dirty looks from the Social Democratic and Labour party.

This will be a pleasant, humorous and serious debate and none of us will mention Brexit and all such things. Arlene Foster has gained huge respect across the whole of Northern Ireland, with more than 200,000 people having voted for her leadership and for our party. We look forward to the next five years. Two weeks have been allowed for us to get a programme for government in place, but hopefully it will not take that long and we will get up for business and deliver for the people of Northern Ireland. I pay tribute to my many colleagues who did not stand for re-election but contributed to the Assembly for many years and worked for the people of Northern Ireland.

Lady Hermon (North Down) (Ind): The hon. Gentleman is very kind to allow me to intervene so early. As he has mentioned the programme for government and his party leader, may I urge all of those who will be designated as Ministers that they must give top priority to funding for our schools right across Northern Ireland? A number of constituents have raised with me what is something of a funding crisis in schools, so I would like him to assure us that that will be given priority.

David Simpson: I will give the hon. Lady the best assurances that I can. I am not a Member of the Assembly, but that message has been made clear and she has put that on the record, so it will be taken back. She is right that education is an important aspect for the future generations in Northern Ireland.

We are all well aware of the difficult times that Northern Ireland has faced. We are the smallest of the four regions and, as I have already alluded to, we are still suffering from the results of the troubles, which have been a debilitating factor in the economy's growth. That has made inward investment slightly more difficult and for the local business sector—small, medium and large businesses—sustainability has continued to be an uphill struggle. My speech contains good news for Northern Ireland, but it will also be realistic about lessons we have to learn, what we can do better and how the Assembly can move forward in the future.

At the outset, I want to praise all the companies who provide employment in Northern Ireland. I recognise the determination and energy they put in every day, along with their workforces. Their resolve has sent

unemployment rates in Northern Ireland to an all-time low. When the economic crisis hit the whole of the United Kingdom, in my constituency we were at 8.5% unemployment, but as of last week that figure has come down to 4.1%. Even at the best of times the figures never fell below that, so we are encouraged by that. I have no doubt that the selfless work and processes established by companies right across Northern Ireland will continue for many years to come.

Sammy Wilson (East Antrim) (DUP): Does my hon. Friend agree that one of the main sources of employment in his constituency is manufacturing industry? Despite all the nonsense that has been spoken about the uncertainty for manufacturers because of the EU referendum, and the prospect of the people of the United Kingdom voting to leave the EU and break its shackles of dominance on our economy, manufacturing industry has actually forged ahead.

David Simpson: I wondered how long it would be before someone brought up Brexit.

Mark Durkan (Foyle) (SDLP): A source close to you.

David Simpson: A source very close to me, yes. My hon. Friend the Member for East Antrim is right: despite all the nonsense that has been talked, the manufacturing sector certainly will continue if we leave the European Union.

According to reports this week, Northern Ireland's growth is dependent on the retail and service sectors, as they

“continue to report the fastest rates of job creation.”

I have certainly witnessed that in each of the three towns in my constituency. Growth is slow, but small retail businesses—I am not referring to charity shops—are starting to move back on to the high street, which is a good thing.

We may be the smallest region in the UK, but we are powerful on the world stage. Some 30% of the famous London red buses are manufactured in Ballymena by a local firm, Wrightbus. That is of course a big contract in London.

Jim Shannon (Strangford) (DUP): It supports Brexit as well.

David Simpson: We will move on from Brexit a wee bit; we will come to it later.

Some 25% of all computer read-write heads are made by Seagate Technology in Londonderry, at the UK's largest nanotechnology site, and 40% of the world's mobile crushing equipment is made in Northern Ireland. We have some of the largest pharmaceutical companies, which employ thousands of people across the Province.

It is evident that the people of Northern Ireland remain committed to helping to grow its economy. However, despite all the good news, we cannot ignore the significant job losses that have been reported by companies—two of the most high profile are Michelin and JTI, and some others face making redundancies—because of problems in the global market and sometimes because of energy costs.

Sammy Wilson: I am glad that my hon. Friend has mentioned energy costs. Does he agree that the cost of energy is one of the biggest threats to manufacturing in Northern Ireland, as it has been in England, Scotland and Wales, and that that is in part due to the insane policy of trying to move towards renewable energy when we have cheap forms of energy in coal, gas and oil?

David Simpson: Absolutely. I thought my hon. Friend was going to mention the EU again; he disappointed me greatly in not getting it slipped in. He is right: we need to look at other ways we can help. Some companies across Northern Ireland, certainly in my constituency, have availed themselves of gas lines, which have made a big difference to electricity costs, especially for bakeries. As the Executive move forward, I believe we have a big part to play in reshaping energy policy.

I meet companies regularly, as I am sure all right hon. and hon. Members here do. One of the major issues they raise continually is business rates—if it is not energy costs, it is business rates. In Northern Ireland, we have capped rates for manufacturing at 30%. I have to say that that is a success for my own party—other parties agreed to it, but it was brought forward by the Democratic Unionist party and we have achieved great things with it. Companies today are surviving because of it, and without it, those companies would not still be here.

My constituency of Upper Bann is the second largest manufacturing base in Northern Ireland outside Belfast. For every manufacturing job in the Province, 1.5 jobs are supported elsewhere in the economy, contributing £2 billion in wages to staff and a further £2.2 billion though jobs supported outside the sector. I fear future losses if we do not address the issue of energy costs, which I keep coming back to, because it is crippling a lot of our companies.

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): Will the hon. Gentleman join me in pressing the new Executive to ensure that one of the first things they do is resolve the issue of providing a proper and appropriate superconductor between the Republic of Ireland and the north? It is widely believed, and stated to me by the energy companies, that Northern Ireland's manufacturers and residents have higher energy costs than their neighbours in the Republic because of the lack of a modern, 21st-century superconductor process to allow electricity to move around the whole country and island.

David Simpson: I am grateful to the Minister for intervening. He is absolutely correct, but that project has been held back by environmentalists—I do not want to get on the hobby-horse of my hon. Friend the Member for East Antrim—and, I have to say, by Sinn Féin, as far as planning permission is concerned. We need to address that. The Minister is quite right that that will make a big difference to energy costs. I think Northern Ireland has the second most expensive electricity after Japan, and addressing that would help the economy to grow even more.

Despite the difficult times we have had, 40,000 new jobs were created in the past five years. A lot of that, of course, was done through the Department of Enterprise,

Trade and Investment. Mrs Arlene Foster was the Minister in the Department at that stage, so she has a good track record, along with her colleagues in the Executive. We also welcomed £2.9 billion of investment in that time, which is almost three times the £1 billion target. We are well on the way.

We look forward to the reduction of corporation tax. Our party is focused on that and has promised its delivery. Is it a silver bullet? No, but it is certainly part of a large armoury that will be available to the Executive. It is estimated that 30,000 jobs could be created through the reduction in corporation tax, which would mean 10% growth in our economy. Our party and the First Minister will certainly be pushing for that. The Northern Ireland Assembly today is in a good position to maximise the potential of all those things, but we need the Government's support behind us.

Tom Hall, the vice-president of international technology and operations at Allstate, has said:

“Our experience in Northern Ireland far exceeded our expectations. We came here originally for the cost savings. We find ourselves staying for the people and the talent that is available.”

That leads me on to a key factor relating to Northern Ireland's economy—one that I am proud we are delivering. Northern Ireland is the top region in the UK for educational attainment. The hon. Member for North Down (Lady Hermon) raised the issue of education, which we need to make more progress on. We cannot rest on our laurels. However, the official figures show that in 2015, 83% of Northern Ireland students achieved the three top grades in A-level exams, compared with 77.3% across the rest of the UK. Students and young people play a pivotal role in the Northern Ireland economy. Their input is not given enough focus, and the skills and expertise they are achieving needs to be given the accreditation it deserves.

Northern Ireland is the only region of the UK that has increased salaries for new jobs in the past year. However, new salaries in Northern Ireland remain lower than the UK average of £33,815, so there is still some work to be done. We need to stop haemorrhaging our trained professionals to other countries, which can offer better rates of pays. It is a vicious circle that we are in: while better pay is available in other countries, it encourages our young people to go to them and perhaps not return—if they are going for educational purposes or to learn skills or whatever and returning, that would be a different story. We need to improve our rates. The only way we can do that is to encourage the private sector to invest in Northern Ireland and to reduce the public sector. That is something that we are trying to achieve, and it has been achieved to an extent, but again there is still some way to go.

As I said earlier, our manufacturing sector was certainly one of the worst hit, but the 30% cap on manufacturing rates has made a big difference. The latest figures show that companies may now be prepared to pay for new recruits and to invest in new staff. That may go some way to encouraging young people to embark upon apprenticeships, especially plumbers, electricians, bricklayers and other such areas in the construction sector. There remains a concerning lack of skilled tradesmen throughout Northern Ireland. Last year it was reported that the construction industry was paying grossly over the odds, as they had to bring recruits in from other countries to ensure that they met their completion dates.

Sammy Wilson: Does my hon. Friend agree that that is one of the reasons why it is important that Northern Ireland, like other regions of the United Kingdom, gets its fair share of the money raised through the apprenticeship levy? That is an issue that needs to be addressed by the Treasury and also the Northern Ireland Executive.

David Simpson: My hon. Friend is correct. We need to get our fair share of that in order to push this forward. I recently visited my local training centre in the Craigavon area. I have visited it many times, and in recent times it hosted a regional skills competition. I spoke to one of the instructors there, who told me of one young man who came to him—I think it was three years ago—as a trainee plumber. The instructor knew when he saw the young man working that he had something special. That young fellow lives in a village called Katesbridge outside Banbridge.

Ms Margaret Ritchie (South Down) (SDLP): That is in my constituency.

David Simpson: He is in his early 20s, and is a constituent of the hon. Lady, and he is the world champion plumber. He went through all the heats, he went to Brazil, he won the heats in Brazil, and he is now the world champion plumber. That is some achievement for a young lad from Katesbridge in—I emphasise this again—the hon. Lady's constituency. For a young man like that who has come in and developed a skill, the world is his oyster. He can do whatever he likes and demand his price. That is what we want to see: more young people getting into those skills, including the basic skills. It has to be realised that, while parents want all their children to be Einsteins, brain surgeons, dentists, GPs and so on, that is not going to happen, but there is still a lot of money to be earned with those skills, which we lost during the economic crisis.

Lastly, I want to focus on the agri-food sector. I have come from the Select Committee on Environment, Food and Rural Affairs just now, and we had a very interesting debate. This sector plays a significant role in the Northern Ireland economy. It contributes £1 billion of added value per annum and has demonstrated a strong track record of export growth, employing over 100,000 people, but the outlook for our farming community remains grim. Dairy farmers have witnessed their incomes fall by over a third in the past year. The realisation is that they are producing milk well below the cost of production. Something more needs to be done to help them. They cannot continue on this ongoing basis of haemorrhaging money and cash flow.

My party wants the industry to bring forward supply contracts that minimise price fluctuations and seize a greater share of their profits along the entire food chain. Six years ago in Northern Ireland, we were doing approximately £60 million of food exports. This year, the figure will be £95.5 million. That is a clear testimony to the quality of our food and drink, which is an essential part of our tourism industry. Our industry target is £1 billion by 2020 and we are already well on our way to achieving that.

Lady Hermon: Can the hon. Gentleman confirm that the executive of the Ulster Farmers Union is in favour of remaining in the EU?

David Simpson: It is my understanding that that is the opinion of the Ulster Farmers Union, but everybody has their problems. I think that the National Farmers Union may have come out in support, but I am not sure; it could still be sitting on the fence. We do not know which way it will go. However, the Ulster Farmers Union has come out with that silly statement.

The year 2016 is the Northern Ireland year of food, and fantastic work is underway through Food NI. The hon. Member for South Down (Ms Ritchie) and I hosted an event on St Patrick's day in this House. It was the second time that an event had been held in this House to promote Northern Ireland food, and it was a fantastic success. This week, the fancy London outlet Fortnum & Mason is promoting Northern Ireland produce to help local retailers. Today, a lot of VIPs and other invited guests have been there to sample some of that food.

Ms Ritchie: I congratulate the hon. Gentleman on securing the debate. Does he agree that a large proportion of Northern Ireland's agri-food industry is dependent on exports? In that respect, it is important that we achieve a direct export capacity to China, Taiwan and north America.

David Simpson: I absolutely agree—I think the hon. Lady raised the point in the Environment, Food and Rural Affairs Committee previous to this debate—and that needs to be achieved quickly.

It is humbling to hear all the success stories—sometimes, there are stories of not so much success—especially coming from a wee country that was deep in conflict for many years. To me, that shows a strong work ethic from the Northern Ireland community and the business community to keep trying. Our economy is settling into a reasonable state of stability, but we must acknowledge the unease of local businesses, farmers and investors as the referendum looms.

I am appalled by some of the scare tactics that have been put forward by those in the remain campaign. Membership of the EU costs £350 million a week. Combined with red tape, bureaucracy and many EU laws taking precedence over UK law, we have reached a point at which the costs have outgrown the falling benefits.

Nine years ago, devolution was restored to Northern Ireland. In that time, we all faced many local, national and international challenges. We faced up to them and overcame them. However, we cannot take our foot off the gas. The incoming First Minister's five-point plan prioritised spending on the health service, creating more jobs and increased incomes, protecting family budgets, raising education standards for everyone and investing in infrastructure. That is what we are about and what we need to do to deliver for all the people of Northern Ireland.

Several hon. Members rose—

Steve McCabe (in the Chair): Order. I plan to start calling the Front-Bench speakers at about 10 past 5. I think that three hon. Members are standing. If you can take about five minutes each, we will be able to accommodate you.

4.55 pm

Ms Margaret Ritchie (South Down) (SDLP): I am pleased to serve under your chairmanship, Mr McCabe. I again congratulate the hon. Member for Upper Bann (David Simpson) on securing the debate. Like him, I congratulate everyone who was elected to the Northern Ireland Assembly on Friday and Saturday of last week. There is a major job of work to do, and I am sure they will get down to that as part of their preliminary work tomorrow.

I will focus my contribution on the role that tourism and the visitor economy can play in bringing prosperity to Northern Ireland, but first I want to echo the comments of the hon. Member for North Down (Lady Hermon) about education. Clearly, education, skills and training are directly linked to the economy. However, on 23 March, schools received a letter from the Minister saying that their budget would be at a certain level. It a major cut, which will have an impact on the delivery of the curriculum to many pupils throughout the schools sector. That will have an impact on our economy in the long term, which needs to be addressed as a priority.

Sammy Wilson *rose*—

Ms Ritchie: The hon. Gentleman will appreciate that two other hon. Members wish to take part in the debate, but I give way to him.

Sammy Wilson: Will the hon. Lady accept that, given how the block grant works, the only way more money can be found for education is through reform of the education system in Northern Ireland? I am talking about holding less money at the centre for Department-inspired initiatives and instead giving it to principals, and about showing less favouritism to certain growing sectors of education at the expense of other sectors, some of which are already working under capacity.

Ms Ritchie: I thank the hon. Gentleman. I agree that there needs to be investment in schools and education. That is the priority, because investment in well-developed children's education will lead to better outcomes for training and our economy.

Northern Ireland is undoubtedly a beautiful place, and our appeal has been strengthened by our growing position as a world-leading location for films and television. In that respect, tourism is an important revenue generator. In the year from October 2014 to September 2015, it brought total expenditure of more than £700 million to our economy. That helps to support jobs and gives communities new livelihoods.

As a co-chair of the all-party group for the visitor economy, I am anxious, as are many members of the group, for the Government to bring forward proposals to reduce VAT on tourism on a UK basis. That fiscal incentive would have a deep and generous impact on the Northern Ireland economy. We need only look at the south of Ireland, where VAT on tourism has been levied at 9% over the last number of years. As a consequence of that measure, about 9,000 jobs were created in the two years after it was introduced. We are part of the UK, which is one of only two of the 27 countries in the European Union that do not have a lower rate of VAT on tourism, so that immediately places us at a disadvantage.

The hon. Member for Upper Bann also raised the issue of Brexit. Obviously, I take a very different view from him and his colleagues in the Democratic Unionist party. I and my colleagues in the Social Democratic and Labour party believe that we should remain in the European Union and I give a little warning based on evidence direct from Danske Bank. This week, it said in the quarterly sectoral review for 2016 that the economic growth forecast for Northern Ireland had been revised down to 1.6% from 1.8%. Angela McGowan of Danske Bank was reported in the business press yesterday as having indicated that that was due to the threat of Brexit, austerity and slower global growth, which takes us back the global commodity markets. She said:

“The message remains that Northern Ireland's economy continues to expand, but the pace of growth is slowing. While the continued reduction in the public sector jobs will weigh down overall growth in the short to medium term, by far the biggest risk to growth this year is Brexit which has lowered investment and growth in the first half of this year...but there is no reason the private side of the economy should not bounce back”

after the referendum, which I hope will produce a remain vote.

Those on the leave side have not produced any evidence on which to base their arguments, and they do not know what the far side of a leave vote would look like. However, I know that there will be a severe impact on our local economy. I firmly believe that there is a future for the Northern Ireland economy and for our young people, but that depends on several factors. One is staying in the European Union, otherwise we will close easy access to the 500 million potential tourists in the EU and block off one of our biggest areas of growth.

I once again congratulate the hon. Member for Upper Bann on securing this important debate. I hope that the Northern Ireland Executive will get down to work and ensure that new areas of growth can be tapped into and that new areas for visitors can be created. That can happen only in a context in which we are totally open for business and totally open to new markets. That means remaining in the European Union.

Further to that, I want our agri-food sector to grow—

Jim Shannon: Your five minutes have gone.

Ms Ritchie: Yes; I will conclude by thanking the hon. Member for Upper Bann for securing the debate, but I remind hon. Members that we are better inside the European Union than outside, and I ask the Minister to comment on the need to lower VAT on tourism.

Steve McCabe (in the Chair): I thank the hon. Lady for her co-operation.

5.3 pm

Jim Shannon (Strangford) (DUP): I understand that the Minister, the shadow Minister and the Scottish National party's spokesperson must start to speak at 5.10 pm, but I wondered whether it would be possible to have a couple of extra minutes, Mr McCabe—there are two other Members left to speak.

Stephen Pound (Ealing North) (Lab): Just crash on, Jim.

Jim Shannon: Okay. I congratulate my hon. Friend the Member for Upper Bann (David Simpson) on his clear presentation of the case. May I say for the record, and for the hon. Member for North Down (Lady Hermon), that I am a member of the Ulster Farmers Union and have been for more than 30 years? I hear what the farmers in my area are saying—they want out. The individual opinion of the president of the Ulster Farmers Union is one thing, but the membership is very different.

The Northern Ireland economy is a far cry from what it once was, but there is still a lot of work to be done to rebalance the economy. Growth is faster than the UK average across almost all sectors of our economy, which is testimony to the continued hard work, confidence and stability of the Northern Ireland Executive. We must be clear where that growth is coming from. We have record levels of job creation and more jobs than ever before in our Province. We have record levels of inward investment and more multinational companies and private sector jobs than ever before. The economy in Northern Ireland is going well at the moment.

The longest sustained period of devolved Government in Northern Ireland since before our troubles has delivered for the people of Northern Ireland, and will continue to deliver with the mandate we achieved last week. After all we have been through, Ulster is no longer at a crossroads. We are on a clear path on the motorway to a better future. Last month, Ulster's private sector added its 12th consecutive month of growth to Northern Ireland's economic engine. The rates of growth in new orders, business activity and employment among indigenous Northern Ireland firms have bucked the trend and exceeded the UK average. The new Northern Ireland is literally working at the moment. By contrast, last month the UK private sector as a whole expanded at its weakest rate in three years, with both services and construction posting subdued rates of activity. The economic engine may be roaring in Northern Ireland, but a continued UK economic slowdown could prove an obstacle on our clear path to a better future.

The pace of job creation continues to accelerate in the Province, with all sectors increasing their staffing levels. Manufacturing's seven consecutive months of job losses have come to a welcome end, and the Province's manufacturing sector is defying UK norms. Export orders expanded at their fastest rate for 21 months, with Northern Ireland's exports to non-EU countries now at a record high, showing that Northern Ireland can compete and thrive independently on the global stage just like the rest of the United Kingdom.

Northern Ireland has seen unemployment drop from almost 59,000 in 2011 to just over 39,000 in 2016. My hon. Friend the Member for Upper Bann referred to the creation of some 40,000 jobs. The target was 25,000 jobs but we achieved 40,000, so it is good news again. He also referred to investment. We have had £585 million of research and development investment, almost double the target of £300 million, and 72% of new jobs are supported under the "Rebuilding our Economy" programme. Let us be clear about what is happening—there is almost an economic miracle in Northern Ireland at the present time.

The Northern Ireland Executive, led by the DUP and in partnership with industry, has delivered real advances. The ending of air passenger duty on long-haul flights was a DUP initiative, and we have had over 1 million

more visitors in the past three years, with some £752 million spent by them in 2014. Cruise ships docking in Northern Ireland brought 145,000 guests in 2016. Again, those are great things.

The DUP has also continued the policy of industrial derating, which has protected jobs and encouraged investment. We have protected the small business rates relief scheme, which has benefited small businesses across Northern Ireland by approximately £18 million a year. We have delivered a Northern Ireland-wide rating revaluation, resulting in reduced bills for businesses, and 525 new businesses have benefited from the introduction of the empty premises rate relief.

We had a meeting today on broadband, which is an issue in my constituency and those of other Members. Broadband is not the Minister's responsibility, but let us put a marker down right now—we need help and investment to make it happen so that we can move forward.

As I said, Ulster is no longer at the crossroads. We are on a path to a better future, with a clear mandate to go forth and continue to deliver and with First Minister Arlene Foster providing the turbo to reach the even better days ahead.

5.7 pm

Mark Durkan (Foyle) (SDLP): I pay tribute to the hon. Member for Upper Bann (David Simpson) for securing the debate and for acknowledging the role of the real job creators—people who start businesses and take them forward, sometimes through difficult challenges. They create new products or find new applications for products; they find new markets and new customers. That is what creates new jobs, before all of us in politics claim the credit for that. What we have to do is make sure that we give these people the best possible environment in which to do that.

The hon. Gentleman quoted Tom Hall of Allstate. I recall signing up Allstate for investment in Northern Ireland along with Mo Mowlam and the right hon. Member for Lagan Valley (Mr Donaldson) as far back as 1998. We told Allstate that it would be impressed by the people, the talent and the skills in Northern Ireland, and that it would invest further. I asked it to promise that it would not keep the second wave of investment in Belfast but would come to the north-west instead, and so it did.

Listening to the hon. Members for Upper Bann and for Strangford (Jim Shannon), it would have been easy to be lulled into a culture of contentment with all this talk of economic miracles and the economy going well, or, as the Deputy First Minister put it a few weeks ago, the economy being in a "happy place". The reality is that in my constituency the jobseeker's allowance claimant count is 10.3%, whereas the Northern Ireland average is 4.6% and the UK average is 2.5%. The 18 to 24-year-old JSA claimant count is 12% in my constituency in the north-west, whereas the Northern Ireland average is 5.8% and the UK average is 2.9%. The disparities are similar in the child poverty rate.

Although the emphasis in the previous programme for government, and from the UK Government, has been on the need to rebalance our economy—the move on corporation tax is one part of that—we also need to rebalance our region. We need greater investment in the west and elsewhere. We cannot just have policies and benefits that concentrate on Belfast.

I have limited time, but will the Minister tell us about some of the opportunities for the next Assembly to work with the UK Government on city deals and enterprise zones? Those opportunities were available to us throughout the whole of the last Parliament, and the Chancellor of the Exchequer said that he would give Northern Ireland enterprise zones and city deals if he got proposals from the Executive, but proposals came not until one finally came in 2014 for an enterprise zone in Coleraine. We still have no proposals for the areas that are most mired in high unemployment.

Will any prospective city deal include support for further university expansion? Why could there not be a cross-border dimension? We have made a move on corporation tax, but if we are to learn lessons from the south, we must see that it is not just corporation tax that has underpinned its economic performance. It is also key investment in higher education and skills and in infrastructure. Those two things are missing in the north. In fact, the Northern Ireland Executive have been going the wrong way on higher education, which is no criticism of the outgoing Minister for Employment and Learning, Stephen Farry, who has done a key job on skills and apprenticeships. I take fully on board the point that the hon. Member for East Antrim (Sammy Wilson) made about the apprenticeship levy.

I do not expect an answer today, but will the Minister talk to colleagues here in Whitehall about whether, when we next sit down to serious negotiations about taking Northern Ireland forward economically, some of the money that the Irish Government are having to repay to the UK Government to cover the loan could be earmarked to support north-south funding mechanisms? It could also support British-Irish measures through the British-Irish Council, and it could be used to encourage much more co-operation between the devolved regions, the London Government and the south. Such an identifiable pool of money could be earmarked for some constructive and imaginative investments that would release all our energies and capacities, not only in Northern Ireland but throughout these islands.

5.12 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): I will try to be uncharacteristically brief to assist those still to speak. I congratulate the hon. Member for Upper Bann (David Simpson) on securing this important debate at this strategically important time, as we face, in the not too distant future, the European referendum. I hope that Members from all parties in Northern Ireland will know and recognise that I am a keen friend of Northern Ireland, having worked there for 30 or 40 years in different guises. I was pleased recently to ask a question at Northern Ireland questions, and I am delighted to see the Minister here because, on the back of my question, a couple of days ago he went out to visit a major community project in Belfast that is doing remarkable, energetic and imaginative work to bring communities together to try to harness the talents of young people and to help their development, which is important for the future.

I do not want to hide from the fact that, despite all the good things we can recognise, the Northern Ireland economy faces major challenges. What concerns me most amidst the myriad statistics we have heard is the issue of productivity. Northern Ireland is consistently

measured as having among the lowest labour productivity in the United Kingdom, which will be a major constraint on future development unless the powers of the new devolved Executive are fully utilised, perhaps by thinking in a more joined-up way about how issues of productivity can be addressed. It is fine to talk about the challenges of higher education, it is fine to talk about the opportunities of new markets—including in the European Union—and it is fine to talk about infrastructure development, but if those and other matters are addressed in silos, and not through the strategic motive of trying to address productivity, the Northern Ireland economy will always be running to catch up with the UK. I appeal to those in government to think about how that major challenge is addressed in future.

I have, of course, a prejudice in favour of the European Union. That is not surprising as Scotland considers itself to be an ancient European nation and our natural place to be part of Europe. The EU provides us with great long-term opportunities, if we are willing to grasp them. Although it is understandable that different positions will be held, I think that everyone, regardless of the view they take, will wish the people of Northern Ireland well for the future. Let us all hope that we can address some of the major economic challenges of our time.

5.15 pm

Stephen Pound (Ealing North) (Lab): Like everyone present today, I congratulate the hon. Member for Upper Bann (David Simpson) on securing this timely and significant debate. It is entirely appropriate for the Labour party to associate itself with congratulations to Arlene Foster, who is soon to be First Minister, and the DUP for what I was going to call its crushing victory, but then I remembered that the hon. Gentleman referred to Northern Ireland as the centre of crushing equipment, and I did not want to make any read-across there.

I particularly thank the hon. Gentleman for educating the House, and not for the first time. In a long and not particularly distinguished parliamentary career, I have never, ever heard of the international world plumbing championships in Brazil. They were news to me. I am delighted that Katesbridge's finest is now the world plumbing champion. I am not sure whether that links up to the Olympics and we will see relay rodding or synchronised soldering, or anything of that nature, but there is remarkable potential there and we should know more about it. That links to what the hon. Member for South Down (Ms Ritchie) said about tourism: I think "Northern Ireland—home of the world plumbing champion" has a ring to it.

The comment about Fortnum & Mason resonated slightly with me, but perhaps in a different direction. I happen to think that Quails of Banbridge is vastly superior to Fortnum & Mason. In my opinion, Fortnum & Mason is merely the Quails of London—not the other way round. When I next find myself in the company of the hon. Member for Upper Bann, I trust he will introduce me to his friends in Quails and that the appropriate discount will be made available.

The hon. Gentleman rightly introduced the debate by saying that although there is some good news, there must be realism. That is absolutely the point. We had bad news with Bombardier, and then some good news with Bombardier in connection with the CS100 jets.

[Stephen Pound]

We have had some bad news in certain aspects but we have the continued triumph of Wrightbus and, in the field of skilled, high-quality engineering—ejector seats and various other areas—there is good news.

That good news has not, though, exactly reached the Assembly's own research and information service, which described Northern Ireland as being

“viewed as having a low growth, low productivity, and low wage economy,”

with the additional problem of high levels of economic inactivity. There appears to be a disconnect between the optimism of the hon. Member for Strangford (Jim Shannon)—an optimism that I share—and many people's perception. There is good news: we constantly refer to the proportion of public sector employment in Northern Ireland, and it is now down to around 27%. That has dropped considerably in the past few years. I do not lay that entirely at the feet of the Minister, but I am sure he will claim some responsibility.

The overarching point I want to make, which we heard made many times, is that made by the hon. Member for Foyle (Mark Durkan): we cannot fool ourselves into a culture of contentment. All is not rosy. I have great admiration for the hon. Member for Strangford and I would love to have him speaking on behalf of my party. We would employ him in party election broadcasts every single day because his optimism, sunny spirits and marvellous skills at converting people are greatly prized—I have seen him in action in Ards—but it is not all good news.

The shadow that hangs over everything is, I am afraid, Brexit. I appreciate that today has been yet another skirmish in the battle of Brexit—we have inevitably moved in that direction—but we have to accept the fact that Northern Ireland's economic performance is underpinned by EU funding. We have perhaps had too many stats in this debate, but between 2007 and 2013, EU money accounted for around 8.4% of Northern Ireland's annual GDP. If we look at the Assembly Executive's economic objectives, they have factored in £2 billion of EU funding since 2014 in the 2014-20 economic forecasts. If that money disappears, there is no guarantee whatever—I look to the Minister, but with little optimism in this particular case—that Westminster will plug that funding gap.

I pray in aid Dr Leslie Budd. I think some Members here were present when he gave evidence to the Committee for Enterprise, Trade and Investment. He identified some major problems for the Northern Ireland economy in the case of what I personally consider would be a foolish gesture—namely, if we turned our backs on our European friends, trading partners and those with which we have so much in common. Those problems would include reduced cross-border trade, an impact on foreign direct investment and the loss of EU funding for development programmes.

The danger is that the slightly faltering but ultimately strengthening Northern Ireland economy could suffer a terrible blow in the event of Brexit. All of us who know and love Northern Ireland respect its incredible quality of invention and innovation. The number of patents that have come from Northern Ireland over the past

100 to 150 years is staggering. I am sure the hon. Member for Kirkcaldy and Cowdenbeath (Roger Mullin) could come up with a similar list from Scotland, but I challenge him to meet the degree of entrepreneurial spirit and achievement that we have seen in Northern Ireland.

Northern Ireland is a great country with immense potential. Let us not threaten it by thinking that turning our backs on Europe and taking a leap into the dark represents a step forward. It does not; it represents a step back. The hon. Member for Upper Bann has, as ever, done the House an excellent service. He has a distinguished reputation in business, being one of the few people who have come to this House with a background in creating business and paying wages, and he speaks with authority. On this occasion, I respect him but I disagree with him, and that is the position of my party.

5.22 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): May I thank the hon. Member for Upper Bann (David Simpson) for securing this debate? It is great that we are having a debate about Northern Ireland's economy. I am delighted that his speech was much shorter than the Upper Bann count on Saturday night. I was waiting and waiting for the final results of the Northern Ireland Assembly elections, and, for some reason, Upper Bann managed to spin it out until almost the last possible moment.

I heard what the hon. Gentleman said. It is true that we have to do all we can to continue supporting very important parts of the Northern Ireland economy. I am delighted that it is moving in the right direction, with manufacturing at its heart. I am a north-west MP, and I see a lot of strong similarities between his part of the world and mine. While Bombardier has had some bad news, I am delighted by the order of more than 70 C series planes, which is a big order for any aeroplane manufacturer. There are 6,000 BAE Systems workers on my patch, and I know how that can secure their future for a long time. This Government are working to support Bombardier when called upon, to achieve more orders across the world for that very successful plane, and I hope we can do that.

The hon. Gentleman raised the issue of energy costs. It is true that UK energy firms can face, and have sometimes faced, higher energy costs compared with their competitors, but I would not lay it all at the door of environmental issues or, indeed, the European Union. Germany may, as it says, have lower business energy costs, but it has much higher wage and social costs. For example, there is little variation in steel prices across Europe because each country has different costs for its businesses.

I visited the Irish national electricity generation company down in Dublin a few months ago, and it is clear that the consumer in Northern Ireland, whether business or residential, could have lower energy prices if we just sorted out the superconductor crossing the border. It is in everyone's interests—including all the parties in the Executive—to ensure that that happens and that we get on with it, because it is unfair to penalise Northern Ireland's businesses for something that is within the Executive's power to put right. I will do everything I can to help with that.

It is great that we have some real blue chip companies based in Northern Ireland. Thales is doing well, and I was delighted that 80 new jobs were announced this week in AXA over in Derry. That is all going in the right direction, but I understand that there are challenges. The agri-food industry is a big industry, and it is important that we recognise that it comprises not just the farm but the processor and the retailer. Some are doing very well out of it, some are not. On Monday night I met members of the farming community at Queen's University Belfast, when Commissioner Hogan came over from the European Commission. It is true that we face some big challenges to ensure that our farmers have a profitable, stable and enduring future, and I think everyone has a role in that.

As for farming, it is absolutely clear that access to export markets, and growing exports for produce, is the No. 1 priority for the Government and for farmers. I will say this on Brexit: putting extra or new barriers in the way of growing export markets will not help farmers in the short or long term. Farmers in the north of Ireland need to sell their beef abroad, they need to sell their milk abroad and they need access to markets. If people say it is the EU that holds them back, they should look to the south, where the farmers in the Republic of Ireland have a better milk price than farmers in the north. That is mainly because the Republic of Ireland—little Ireland, on its own—has managed to open up bigger markets in China to sell its milk produce and remain within the EU. The challenge is not to put more barriers in front of our farmers if we want to see our agri-food sector increase; the challenge is to decrease the number of them. Wherever we see protectionism around the world, I believe the EU is better at trying to remove it than countries trying that alone.

The other point is stability—other hon. Members have mentioned it, so I will not dwell on it—and stability of governance in Northern Ireland. We saw that the last round of crisis, with Stormont effectively suspended, did not help with the message on the economy. All parties here know that the strongest message for business is stability, so it can plan and invest. The Northern Ireland Executive, which are back up and running, have a great opportunity to capitalise on that good message about potential. It is very important that, when business feels that the environment is not stable, people speak up for it and make sure that politicians hear that message. It is also true that stability is important here in Great Britain.

On education, it is tragic when we see the great, educated population of Northern Ireland not getting the jobs, or when the skills are not matched to them. That is something that we all have to work on across the UK and in Northern Ireland. That is why we were delighted, in the Stormont House agreement, to commit £500 million over 10 years towards shared

and integrated education, to help funnel that and improve people's educational chances across Northern Ireland.

The hon. Member for Upper Bann talked about the family budget. It is true that we need to do more to make sure that everyone in Northern Ireland, those on lower and higher incomes, go along together with any growth. That is why I am proud that this Government have managed to raise the personal allowance to £11,500 this year. No one will pay tax if they earn below that. The national living wage came in last month, which will see a real increase in people's pockets across Northern Ireland for those on lower incomes. Also, the upper rate of tax now starts at £43,000. If we are going to encourage people to stay and invest in Northern Ireland and aspire to do things, why should they not keep some of that money as a reward as well? We do not want to drive away our entrepreneurs and penalise them for doing well. That is very important.

As a north-west MP, I know that the hon. Member for Foyle (Mark Durkan) is absolutely right to say it is very important to make sure that our economic development is balanced across a region or a country. It is the same in Scotland. I used to represent North East Scotland, and there was a similar debate between Aberdeenshire, Glasgow and Edinburgh. We have to make sure that we always rebalance, and that we do so fully conscious that it is not always about one big city. I am delighted about the Republic of Ireland's commitment on the A5—after this election, we hope. The Northern Ireland Executive have already said that they are going to move ahead with the A6 and finish off the dualling. If we can get Derry and Londonderry much faster to get to, there is great hope. I hear the hon. Gentleman loud and clear on the city deals and enterprise zones. I have already spoken to the hon. Member for South Down (Ms Ritchie) about how we can help to lobby and put together a bid. We will happily go with her to see the Chancellor and lobby for that, whether it is for South Down or Londonderry.

With 30 seconds left, I finish by saying I come back to a Northern Ireland that is full of confidence and that is actually pretty united. In the Chamber today we heard nationalist and unionist parties agreeing how good a place Northern Ireland is, how attractive it is for investment and how the economy is going in the right direction. If the pride of the country can be mixed with stability—once the referendum is out of the way, we should all work for that—and with aspiration, I think Northern Ireland has the ingredients to make a cracking economy and to move forward.

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Wednesday 11 May 2016

HOME DEPARTMENT

Northern Ireland

The Secretary of State for the Home Department (Mrs Theresa May): The Security Service, MI5, has increased the threat level to Great Britain from Northern Ireland-related terrorism from moderate to substantial. This means that a terrorist attack is a strong possibility and reflects the continuing threat from dissident republican activity.

As a result of this change, we are working closely with the police and other relevant authorities to ensure appropriate security measures are in place.

The threat level to the UK from international terrorism remains unchanged at severe, which means that an attack is highly likely. The threat level to Northern Ireland from Northern Ireland-related terrorism also remains unchanged at severe.

The public should remain vigilant and report any suspicious activity to the police.

[HCWS716]

INTERNATIONAL DEVELOPMENT

Foreign Affairs Council for Development

The Minister of State, Department for International Development (Mr Desmond Swayne): My noble Friend the Parliamentary Under-Secretary of State for International Development (Baroness Verma) has today made the following statement:

On 12 May, I will attend the Foreign Affairs Council for Development in Brussels. The meeting will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the Commission, Federica Mogherini. The UK is a global leader in delivering world-class international development. I look forward to using this opportunity to work with other member states to push the EU to do more to deliver the ambitious development agenda set out in the global goals.

Revision of the European consensus of development in light of the 2030 agenda

The 2005 European consensus on development—the EU's overarching development strategy—is geared towards the millennium development goals, and needs updating to reflect the “Global Goals for Sustainable Development” agreed at United Nations General Assembly last year. The EU played a leading role in the global goals negotiations, with strong shaping from the UK, and will be expected to play a key role in implementation. I will argue that the new challenges we face require a comprehensive and integrated EU response; Agenda 2030 must be implemented in the broader context of EU external action (foreign policy and security, trade, environment), with better coherence across development and humanitarian assistance.

Trade, private sector and sustainable development

The Council will note the Council conclusions on responsible global value chains, which the UK supports. The substance of the discussion will focus on a paper from the European External Action Service (EEAS) on how to engage the private sector more in development co-operation. I will highlight the championing role the UK has played on this in recent years.

Afghanistan conference

The Brussels conference on Afghanistan in October 2016 is a key opportunity for the international community to reaffirm its ongoing commitment to Afghanistan's security and development. It will also be an opportunity for the National Unity Government (NUG) to demonstrate progress and their commitment to economic reform. The Afghan Finance Minister Hakimi will present the new national development strategy to the Council during a lunchtime session.

Joint programming

We support initiatives to improve co-ordination among donors and recognise that joint programming could have a role to play in this. I will continue to offer support to joint programming exercises providing they are worked up and led at the country level and are focused on making a real difference to development outcomes. However, the United Kingdom will not substitute our bilateral strategies for EU-led joint programmes.

Migration and development

To develop a coherent EU-Africa response to increased migration from Africa, the European Commission held the Valletta summit in November 2015. I will push for effective action to ensure that the action plan and EU trust fund agreed at the summit deliver a coherent and effective set of programmes to tackle the migration crisis in Africa. The Council will also discuss a recent communication from the Commission on forced displacement.

Preparation of the world humanitarian summit

The world humanitarian summit takes place from 23-24 May in Istanbul. It is the first global summit on humanitarian issues, and it comes at a time of unprecedented need. I will stress the UK priorities for the world humanitarian summit, including a focus on compliance with international humanitarian law, a new global approach to protracted crises, a global humanitarian system for crisis prevention, and ensuring that humanitarian action delivers for women and girls.

[HCWS717]

Petition

Wednesday 11 May 2016

OBSERVATIONS

TREASURY

Tax Credits

The petition of residents of the Wakefield constituency,

Declares that the petitioners are strongly opposed to the Government's proposed cuts to tax credits which will cost working families up to £1,300 a year.

The petitioners therefore request that the House of Commons reconsiders the proposals and stop the tax credit cuts.

And the petitioners remain, etc.

[P001666]

Observations from the Exchequer Secretary to the Treasury (Damian Hinds):

The Government thank the residents of Wakefield constituency for their petition on proposals to cut tax credits as announced at Budget 2015. The Government are sorry to hear about their concerns about these changes.

The Government are committed to moving Britain from a low wage, high tax, high welfare economy to a higher wage, lower tax and lower welfare society.

As the Chancellor of the Exchequer announced in Spending Review and Autumn Statement 2015, the Government have listened to concerns about the proposed changes to the tax credit taper rate and the income threshold and confirmed those changes will not go ahead.

The Government remain committed to putting welfare spending on a more sustainable path to make the system fair for those who pay for it as well as those who benefit from it, and to ensure it always pays more to be in work, as announced in the Summer Budget and reiterated in the Autumn Statement. We have therefore continued with other measures such as the tax credits income rise disregard, the amount by which a tax credit claimant's income can increase within the year before their tax credit award is adjusted, reducing it from £5,000 to £2,500. This makes the tax credit system fairer so claimants on similar incomes will receive similar awards.

The Government continue to help working families keep more of what they earn. The new National Living Wage has been introduced at £7.20 for workers aged 25 and older—a cash increase of £900 for a full time worker on the current National Minimum Wage. The Personal Allowance was increased again in April to £11,000, meaning the average taxpayer now pays £905 less income tax than in 2010. Fuel duty has been frozen again for the sixth year in a row. And the Personal Savings Allowance has been introduced so the majority of people will now pay no tax at all on their savings income.

ORAL ANSWERS

Wednesday 11 May 2016

	<i>Col. No.</i>		<i>Col. No.</i>
PRIME MINISTER	616	SCOTLAND—continued	
Engagements.....	616	North Sea Oil and Gas.....	613
SCOTLAND	607	Trade Union Bill.....	614
EU Membership.....	607		

WRITTEN STATEMENTS

Wednesday 11 May 2016

	<i>Col. No.</i>		<i>Col. No.</i>
HOME DEPARTMENT	11WS	INTERNATIONAL DEVELOPMENT	11WS
Northern Ireland.....	11WS	Foreign Affairs Council for Development.....	11WS

PETITION

Wednesday 11 May 2016

	<i>Col. No.</i>
TREASURY	9P
Tax Credits.....	9P

No proofs can be supplied. Corrections that Members suggest for the Bound Volume should be clearly marked on a copy of the daily Hansard - not telephoned, and *must be received in the Editor's Room, House of Commons,*

**not later than
Wednesday 18 May 2016**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE
PROMPT PUBLICATION OF BOUND VOLUMES

Members may obtain excerpts of their speeches from the Official Report (within one month from the date of publication), by applying to the Editor of the Official Report, House of Commons.

CONTENTS

Wednesday 11 May 2016

Oral Answers to Questions [Col. 607] [see index inside back page]

Secretary of State for Scotland
Prime Minister

White Paper on the BBC Charter [Col. 629]

Answer to urgent question—(Mr Whittingdale)

Housing and Planning Bill [Col. 641]

Lords message considered

Armed Forces Bill [Col. 651]

Lords message considered

Backbench Business

Pensions Up-rating (UK Pensioners Living Overseas) [Col. 655]

Motion—(Ian Blackford)—agreed to

Train Services: Southend [Col. 678]

Debate on motion for Adjournment

Westminster Hall

Domestic Violence Refuges [Col. 279WH]

Organised Sporting Events: Charges [Col. 305WH]

Steel Industry [Col. 313WH]

Building Regulations [Col. 341WH]

Northern Ireland Economy [Col. 349WH]

General Debates

Written Statements [Col. 11WS]

Petition [Col. 9P]

Observations

Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]
