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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Wednesday 20 July 2016

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

North-south Electricity Interconnector

1. **David Simpson** (Upper Bann) (DUP): What discussions he has had with System Operator Northern Ireland on the completion of the north-south electricity interconnector. [905908]

The Secretary of State for Northern Ireland (James Brokenshire): Let me say at the outset what a privilege it is to have been appointed as Secretary of State for Northern Ireland, and I pay tribute to the work of my predecessor, my right hon. Friend the Member for Chipping Barnet (Mrs Villiers). She played a very important role and made a significant contribution, and I, for one, fully recognise that. I look forward to working with right hon. and hon. Members across the House to maintain that approach of continued political stability, greater economic prosperity, and safety and security, as part of a bright positive future for Northern Ireland.

I understand that the previous Minister, my hon. Friend the Member for Wyre and Preston North (Mr Wallace), met EirGrid, the electricity system operator across the island of Ireland, to discuss the proposals for a new interconnector. I hope that proposals to deliver a stronger, more secure and more competitive network in Northern Ireland can be progressed quickly.

David Simpson: May I start by welcoming the Secretary of State to his new position and welcoming all his colleagues? I look forward to working with them over the coming months. He will know the benefits that the interconnector would bring, not only to Northern Ireland, but to the Republic of Ireland. Our understanding is that Sinn Féin is one of the biggest objectors to this. Does he agree that that shows its lack of understanding of simple economics?

James Brokenshire: I am grateful to the hon. Gentleman for warmly welcoming me to my post, and I felt this in a positive way when I was in Belfast on Monday. He raises the issue of the interconnector, as he has done on a number of occasions. This is being considered by the Northern Ireland Planning Appeals Commission—it is a decision for the Minister in the Northern Ireland

Executive—but I reiterate that given the significant potential to help to reduce energy costs for Northern Ireland businesses, I would hope to see the project move forward as quickly as possible.

Dr Alasdair McDonnell (Belfast South) (SDLP): I welcome the Secretary of State to his new position and his very able partner, the Under-Secretary of State for Northern Ireland, the hon. Member for Keighley (Kris Hopkins), who has been an outstanding Member of this House. Has the Secretary of State had an opportunity, at this early stage, to make an assessment of the long-term future of the all-Ireland energy market in the light of the referendum result? Will the result alter that market in any way?

James Brokenshire: Again, I am grateful to the hon. Gentleman for his welcome. I certainly recognise the importance of the all-Ireland arrangements for electricity and for gas. In the continued negotiations and discussions on Northern Ireland and the UK being outside the European Union, that will be a core part of the issues we will be taking forward.

Danny Kinahan (South Antrim) (UUP): I, too, congratulate the Secretary of State and his team on their appointments, and thank the previous team for all the work they did for Northern Ireland. On an alternative electricity supply and the renewable heat initiative, the Northern Ireland Audit Office has told us that it may cost our block grant £140 million. Will the Secretary of State ensure that there is an investigation as to what has happened?

James Brokenshire: Coming into this role, I recognise the issue of costs for electricity and power more generally, and its importance in the context of the Northern Ireland economy. Indeed, this is why I made the points I did about the electricity interconnector. I will look closely at the points the hon. Gentleman makes, and I look forward to discussing this and other issues with him and other colleagues in the months ahead.

Economic Development

2. **Bob Blackman** (Harrow East) (Con): What recent discussions he has had with the Northern Ireland Executive on economic development in Northern Ireland. [905909]

5. **Fiona Bruce** (Congleton) (Con): What recent discussions he has had with the Northern Ireland Executive on economic development in Northern Ireland. [905912]

The Secretary of State for Northern Ireland (James Brokenshire): I am determined to build on the progress this Government have made in delivering peace and prosperity to Northern Ireland. We have already taken significant steps to back businesses across the UK, including reducing corporation tax and bringing the Exporting is GREAT campaign to Northern Ireland in May.

Bob Blackman: I congratulate my right hon. Friend on his appointment and I join in the remarks made about his predecessor. Will he continue the Government's work to ensure that the private sector continues to grow? In his discussions with the Northern Ireland

Executive, will he emphasise the need to improve private sector investment, so that more jobs are created in Northern Ireland and more people can gain from prosperity?

James Brokenshire: My hon. Friend makes a very good point about the creation of jobs and prosperity. I am sure that he welcomes today's figures, which show further falls in unemployment and the claimant count in Northern Ireland, and increased employment, underlining the important aspects that he highlights. Yes, I will certainly be discussing with the Executive the role that I have to play with regard to investment and how we promote further jobs, growth and opportunity.

Fiona Bruce: Will the Secretary of State reaffirm the Government's commitment to the devolution of corporation tax powers as set out in the Stormont House agreement? Does he agree that a vital part of that is that the Executive demonstrate that their finances are on a stable and long-term footing?

James Brokenshire: We do want the UK to stand out as a low-tax destination for business. We have already cut the rate of corporation tax from 28% to 20%, and we will cut it further. My hon. Friend makes the point about the devolution of corporation tax powers. They are subject to conditions around fiscal discipline and financial stability. We look forward to working with the Executive to achieve that and to see that that further devolution takes place.

Mr Nigel Dodds (Belfast North) (DUP): May I add my congratulations to the Secretary of State and to his ministerial colleague, the Under-Secretary of State for Northern Ireland, the hon. Member for Keighley (Kris Hopkins), on their new positions? I look forward to working constructively with the Secretary of State and the Northern Ireland Office in the coming days. May I also pay tribute to the outgoing Secretary of State, the right hon. Member for Chipping Barnet (Mrs Villiers), who played an enormously positive and constructive role in Northern Ireland, and was instrumental in bringing about the "Fresh Start" and Stormont House agreements? We owe an enormous debt of gratitude to her.

I thank the Secretary of State for the discussions that he has already had with some of us and with the First Minister and the Executive Office. Can he spell out for the benefit of the House once again what he has already said publicly in Northern Ireland, which is why there is no question of a border poll in Northern Ireland?

James Brokenshire: I am very grateful to the right hon. Gentleman for his warm welcome and indeed for the very warm comments that he made about my predecessor, which I wholly endorse. I have been quite straightforward about this issue of the border poll. The conditions are set out very clearly in relation to the Belfast agreement, and I have been very clear that those conditions have not been met.

Mr Dodds: The reason why they have not been met is that the overwhelming majority of people in both communities in Northern Ireland want to remain part of the United Kingdom. Does the Secretary of State recognise the irony and the illogicality of those who are talking so much doom and gloom about Northern

Ireland and the UK post the Brexit referendum, when their main policy—their main *raison d'être*—is to drag us out of the United Kingdom, which would be the most financially catastrophic and politically demoralising thing that is possible to imagine?

James Brokenshire: Let me underline the comments made by the Prime Minister about the very special bond that binds the peoples and nations of the United Kingdom—England, Scotland, Wales and Northern Ireland. It is a very simple message. Now is the time to come together and to work together to secure that bright positive future for Northern Ireland as part of the United Kingdom outside the European Union.

Mr Laurence Robertson (Tewkesbury) (Con): On behalf of the Northern Ireland Affairs Committee, may I welcome the new ministerial team and indeed the shadow Secretary of State to their positions? I pay tribute to my hon. Friend the Member for Wyre and Preston North (Mr Wallace), who was the former Under-Secretary of State for Northern Ireland, and particularly to my right hon. Friend the Member for Chipping Barnet (Mrs Villiers), who really has carried out an enormous amount of work in Northern Ireland.

May I ask the Secretary of State about south-east England airport connectivity, which is very important to the economy of Northern Ireland? Could he have a word with his Cabinet colleagues and speed up the decision on airport capacity in the south-east of England?

James Brokenshire: I am grateful to my hon. Friend for his welcome. Indeed, I very much look forward to working with the Select Committee. I note that he is tempting me into a broader area of policy in relation to airport capacity. He will know that the previous Transport Secretary made a clear statement on the timing of that, and, obviously, the matter requires further consideration.

Ms Margaret Ritchie (South Down) (SDLP): May I add my congratulations to the Secretary of State and to the Under-Secretary of State on their appointments? Has the Secretary of State and his officials, working with Ministers in the Northern Ireland Executive, made any calculation of the economic damage to Northern Ireland as a result of the vote to leave the European Union when the people voted to remain?

James Brokenshire: I certainly recognise that there were differences of view on the EU referendum, as there were across the rest of the United Kingdom. Our focus now needs to be on what Northern Ireland can be, and on what we can achieve in terms of trade, jobs and new opportunities. It is precisely that positive agenda that I intend to take forward.

Deidre Brock (Edinburgh North and Leith) (SNP): I welcome the new Secretary of State to his position, and also commend the former Secretary of State for her hard work on behalf of the people of Northern Ireland. Austerity has hit all of us hard, but Northern Ireland has special circumstances which make the impact even harder. Will the Government now consider reversing the austerity measures so that Northern Ireland's economy can recover from the damage done?

James Brokenshire: I thank the hon. Lady for her warm words of welcome. Again, I underline the figures that we have seen today, showing further falls in unemployment. It is right that we have a strong, stable economy, and that we continue to look outwards. I point the hon. Lady to the fact that the total value of goods exported from Northern Ireland over the past year has increased by 9%—a figure which outperforms the rest of the UK.

Mr David Anderson (Blaydon) (Lab): I, too, welcome the new Secretary of State and his Minister to their posts, and assure him that we on the Labour Benches will do everything we can to carry on the bipartisan approach, doing the best we can for the people of Northern Ireland. I also thank my predecessor, my hon. Friend the Member for Gedling (Vernon Coaker). Everyone I have met in Northern Ireland asked me to thank him for his work.

For years the rebalancing of the Northern Ireland economy has been promoted by the Government, and intrinsic to this has been a push to reduce corporation tax, but in recent discussions that I have had with businesses in Northern Ireland, they have told me that it is much more important to address the huge skills gap in Northern Ireland, where far too many young people are leaving school unable to read and write properly. What will the Secretary of State do to help the people of Northern Ireland to bridge that gap?

Mr Speaker: We need great brevity as there are a lot of questions to reach.

James Brokenshire: I thank the hon. Gentleman for his warm welcome. I certainly want to continue the bipartisan relationship. He highlights the issue of skills. I absolutely recognise that and will work with the Northern Ireland Executive on apprenticeships and on creating jobs and opportunities for young people, to give them the best possible advantages.

Mr Speaker: Splendid.

Mr Anderson: May I suggest to the Secretary of State that for his summer reading this month, he looks into a number of reports—the report recently produced by the Northern Ireland Affairs Committee on the referendum, the report from the Northern Ireland Independent Retail Trade Association on its economic plan, and crucially the report from the Economic and Social Research Institute that was produced for the Irish Government in November last year to show that the trade deficit between the north and the south following Brexit could fall by at least 20%? Will he come back to the House in the autumn and tell us why his predecessor and the Northern Ireland Office were so badly prepared for Brexit?

James Brokenshire: I am always grateful for recommendations for summer reading and I will add the hon. Gentleman's suggestions to my list. It is important to recognise that exports from Northern Ireland to the United States increased by more than 80%, and also increased to Canada and Germany. We will certainly promote that positive outlook for Northern Ireland.

Cross-border Crime

3. **Alec Shelbrooke** (Elmet and Rothwell) (Con): What steps the Government are taking to reduce cross-border crime in Northern Ireland. [905910]

8. **Sir Henry Bellingham** (North West Norfolk) (Con): What steps the Government are taking to reduce cross-border crime in Northern Ireland. [905915]

The Secretary of State for Northern Ireland (James Brokenshire): The joint agency task force, created under the “Fresh Start” agreement, is tackling cross-border crime in Northern Ireland. The task force has completed a strategic assessment to identify priorities and is co-ordinating joint law enforcement operations against the criminals involved.

Alec Shelbrooke: I am grateful to my right hon. Friend for welcoming the report of the joint agency task force. Does he welcome the success of the joint operations already carried out?

James Brokenshire: Yes, I certainly do. It is important that we maintain the focus on combating organised crime and on responding implacably to paramilitarism. I do recognise the successes to date.

Sir Henry Bellingham: I, too, congratulate the Secretary of State on his appointment. I am sure his previous experience as Security Minister will stand him in good stead. Does he agree that in this pending Brexit world, closer co-operation between the Police Service of Northern Ireland and the Garda Síochána is more important than ever? What plans does he have to make that happen?

James Brokenshire: I entirely endorse my hon. Friend's comments on the need for good cross-border working relationships between the PSNI and Garda Síochána. I have already had a conversation with Frances Fitzgerald, the Irish Justice Minister, to underline that. We have very good relationships and I want to see them continue.

Vernon Coaker (Gedling) (Lab): I welcome the Secretary of State to his post. Does he agree that tackling cross-border crime involves tackling paramilitarism? Has he had a chance to look at the report published by Stormont yesterday with respect to action, in particular, to consider what may be done about decommissioning residual paramilitary weapons? How is that going to happen?

James Brokenshire: At the outset, may I commend the hon. Gentleman for his work? He and I have obviously had a number of discussions on issues of crime and security over many, many years. I welcome the publication of the Northern Ireland Executive's action plan on tackling paramilitary activity, criminality and organised crime. This represents another significant milestone in terms of the commitment set out in the “Fresh Start” agreement. It provides a positive basis on which we can now move forward, and I look forward to the more detailed action plan, which will be published shortly.

Stephen Pound (Ealing North) (Lab): May I warmly associate myself with the comments made by so many other people? I note that this is now my sixth opposite number facing me—it is almost as if I am being used as a training aid for young, thrusting Tories.

Last week, when my hon. Friend the Member for Blaydon (Mr Anderson) and I met Chief Constable George Hamilton, he expressed his grave concern about the implications for the European arrest warrant post-Brexit and the desire not to go back to the old extradition methods. What assurance can the Secretary of State give us that the European arrest warrant can survive post-Brexit?

James Brokenshire: I am always grateful to continue the interplay between myself and the hon. Gentleman in so many different ways. He makes a serious and important point about the European arrest warrant—something I was very conscious of in my previous role at the Home Office. I see this as a core part of the negotiations that the Home Secretary and others will be taking forward, recognising the huge benefit to the UK—and to Northern Ireland—of having those extradition arrangements under the European arrest warrant.

14. [905922] **Jack Lopresti** (Filton and Bradley Stoke) (Con): In respect of paramilitary groups that are engaged in cross-border organised crime as well, what steps is my right hon. Friend taking to identify and deal with these individuals specifically?

James Brokenshire: I have already highlighted the work of the joint agency taskforce. It is a question of all the law enforcement agencies working together to identify the organised criminal groups. That is precisely the activity that is intended. Equally, I recognise the work that the National Crime Agency does more broadly, which absolutely helps to support this.

Jim Shannon (Strangford) (DUP): In Northern Ireland recently, incidents have increased and severe violence has been used at cross-border posts. Organised crime gangs and criminal networks outside of the islands are involved. Does the Minister recognise that the increase in crime needs to be top of the agenda in any forthcoming Brexit talks?

James Brokenshire: As I have already indicated, I do see the whole issue of safety and security as a priority. That requires good working relationships between the PSNI and the Garda Síochána. I had a meeting with Deputy Chief Constable Drew Harris in Belfast earlier this week to discuss those very issues, and this certainly is a matter that I regard as a priority in moving forward with my role.

Security Situation: Trade

4. **Ian Paisley** (North Antrim) (DUP): What recent assessment he has made of the effect on trade of the security situation in Northern Ireland; and if he will make a statement. [905911]

The Parliamentary Under-Secretary of State for Northern Ireland (Kris Hopkins): May I begin by recognising the enormous contribution of my predecessor, my hon. Friend the Member for Wyre and Preston North (Mr Wallace)? I wish him well in his new role. I am determined to build on the progress this Government have made in delivering peace and prosperity in Northern Ireland. This Government have already taken bold steps

to back businesses across the UK, including reducing corporation tax and bringing the Exporting is GREAT campaign to Northern Ireland.

Ian Paisley: I, too, welcome the Minister to the Dispatch Box—he was an excellent member of the Northern Ireland Affairs Committee. On trade and crime, he will know that there has been a hangover of paramilitary crime affecting trade along the border. There has been a complete delay in dealing with fuel fraud. Will he agree to meet me and the hon. Members for Tewkesbury (Mr Robertson), for Belfast South (Dr McDonnell) and for Vauxhall (Kate Hoey), and to bring along Her Majesty's Revenue and Customs officials to boot, to allow us to discuss this issue and resolve it once and for all?

Kris Hopkins: I would be absolutely delighted to meet the hon. Gentleman and other Members from both sides of the House. May I just put on record my respect for the fact that he has managed to secure a £5 million trust for local employers? [Interruption.]

Mr Speaker: Order. We are discussing very serious matters, including the security of Northern Ireland, to which exchange the hon. Member for Pendle (Andrew Stephenson), who has a related question, might wish to contribute now.

10. [905918] **Andrew Stephenson** (Pendle) (Con): Following the recent threat increase, will my hon. Friend assure the House that he remains absolutely committed to ensuring that our security agencies, police and others have the equipment to deal with any threats they might face?

Kris Hopkins: I reassure my hon. Friend that this Government have already increased PSNI funding by £160 million, with £25 million specifically to address paramilitary activity.

Electoral Offices

6. **Tom Elliott** (Fermanagh and South Tyrone) (UUP): What the Government's plans are for the future of electoral offices in Northern Ireland. [905913]

The Parliamentary Under-Secretary of State for Northern Ireland (Kris Hopkins): The Government want to make sure that Northern Ireland voters can benefit from the introduction of digital registration. This new technology also provides an opportunity for the chief electoral officer to examine how electoral services can be delivered more effectively.

Tom Elliott: I, too, welcome the Minister and the Secretary of State to their place and thank the former team. Does the Minister accept that there may be some difficulties with online registration that are particular to Northern Ireland and not to other parts of the United Kingdom?

Kris Hopkins: The system has been working in the rest of the United Kingdom since 2014. A full public consultation on the reform proposals and models will start this autumn, and I hope the hon. Gentleman will make a full contribution to the process.

13. [905921] **Henry Smith** (Crawley) (Con): What consideration has been given to adopting the cross of St Patrick as a unity flag for all communities representing Northern Ireland?

Kris Hopkins: The issue of flags in Northern Ireland is sensitive and complex. Any change in existing arrangements would require cross-community support. The Stormont House agreement included a commitment to a commission on flags, identity, culture and tradition, and that was established in June.

Mr Gregory Campbell (East Londonderry) (DUP): During the consultation process on electoral services, will both the Minister and the Electoral Office ensure that accessibility is a top priority, so that local people outside Belfast can have access through their local electoral offices for registration and photographic ID purposes?

Kris Hopkins: The key thing to say about the issue of digital registration is that it is not replacing the old system. The existing system will stay in place and there is an opportunity to contribute on the issues relating to rural communities in particular, which I know many Members from Northern Ireland are concerned about.

Mr Speaker: I call Fabian Hamilton. Where is the fella? He is not here.

Republic of Ireland: Discussions post-EU Referendum

9. **Gavin Robinson** (Belfast East) (DUP): What discussions he has had with the Government of the Republic of Ireland since the EU referendum. [905917]

The Secretary of State for Northern Ireland (James Brokenshire) *rose—[Interruption.]*

Mr Speaker: Order. Answering Question 9, Secretary of State.

James Brokenshire: Thank you, Mr Speaker. I have held a series of meetings and phone calls with political leaders in both Ireland and Northern Ireland, and these will continue.

Gavin Robinson: I congratulate the Secretary of State and his team. There is not one politician with an ounce of sense who suggests that a hard border would be of benefit to either the Republic of Ireland or Northern Ireland, but some are suggesting a hard border between Northern Ireland and the rest of the United Kingdom. Will the Secretary of State take this early opportunity to rule out such a nonsensical and dangerous proposal?

James Brokenshire: The issue of the common travel area and the border between Northern Ireland and the Republic of Ireland is absolutely at the forefront of my agenda. I recognise, as do the Irish Government, the real benefits of the common travel area. It is about not just the movement of people, but goods and services. I certainly do not want to see a return to the borders of the past, which is why I will engage with colleagues across Government, as well as the Irish Government, to get the best possible outcome for Northern Ireland as part of the United Kingdom. *[Interruption.]*

Mr Speaker: Order. The hon. Member for Foyle (Mark Durkan) must be heard on matters that pertain directly to his constituents.

Mark Durkan (Foyle) (SDLP): Thank you, Mr Speaker. I extend my courtesies to the new ministerial team.

Does the Secretary of State acknowledge that the concern is to avoid not just the creation of new border posts, but the unnecessary and unhelpful borderism that the separation of north and south—of non-EU and EU—would entail? The new Immigration Minister gave an example of borderism yesterday when he boasted of his pre-Brexit bout of borderism with the HGV levy on cross-border trucks.

James Brokenshire: I certainly recognise the various points the hon. Gentleman has made. Border issues are significant both for the movement of people and for goods and services, and that is intrinsic to the overall arrangements between Northern Ireland and the Republic of Ireland. It is why I have made a very clear commitment in all my statements to ensuring that we do not return to the arrangements of the past, and that is precisely what will remain a priority for me in my role.

PRIME MINISTER

The Prime Minister was asked— Engagements

Q1. [905968] **John Glen** (Salisbury) (Con): If she will list her official engagements for Wednesday 20 July.

The Prime Minister (Mrs Theresa May): I am sure that the whole House will wish to join me in welcoming today's employment figures, which show employment at another record high, the lowest unemployment rate in over a decade and wages rising.

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. This afternoon, I will travel to Berlin to meet Chancellor Merkel to discuss how we implement the decision that the British people took in the referendum, and I expect we will also cover a number of other pressing international issues. Tomorrow, I will visit Paris for similar discussions with President Hollande.

John Glen: I warmly welcome the Prime Minister to her place. Given her unwavering commitment to delivering economic stability and national security in our United Kingdom's interest, does she welcome Monday's emphatic vote in this House for the Trident successor programme, and will she ensure that economic stability and national security remain the guiding principles of her premiership?

The Prime Minister: I thank my hon. Friend for his kind remarks. I join him in enthusiastically welcoming the vote taken in this House on Monday evening to renew our nuclear deterrent. I think that vote showed the commitment of this House: it showed that we have not only committed to our own national security, but considered the security of European and NATO allies. We can now get on with the essential job of renewing

our nuclear deterrent. May I thank the 140 Labour Members of Parliament who put the national interest first and voted to renew the nuclear deterrent?

Jeremy Corbyn (Islington North) (Lab): May I welcome the right hon. Lady to her first Prime Minister's Question Time, and congratulate her on her appointment and on becoming the country's second woman Prime Minister? I hope that she will agree with me that Prime Minister's Question Time in this House should be an opportunity to debate seriously the issues that face our country and our place in the world.

On the steps of Downing Street, the Prime Minister talked very eloquently about "fighting...burning injustice", yet her last act as Home Secretary was to shunt the Orgreave inquiry into the long grass. The Advocate General told the House of Lords:

"The IPCC told Home Office officials that if it announced any action to set up an inquiry or other investigation relating to Orgreave, it would have an impact on the Hillsborough investigation."—[*Official Report, House of Lords*, 13 July 2016; Vol. 774, c. 216.]

The Independent Police Complaints Commission disputes that account. I hope Parliament was not misled. Will the Prime Minister now proceed with a full public inquiry into the terrible events at Orgreave?

The Prime Minister: I thank the right hon. Gentleman for the welcome he has given me. He referred to me as the second woman Prime Minister. In my years in the House, I have long heard the Labour party asking what the Conservative party does for women. Well—it just keeps making us Prime Minister.

I welcome the comments the right hon. Gentleman made about Prime Minister's questions. We do debate serious issues at Prime Minister's questions. I look forward to the exchanges he and I will have, and I hope that we will be having those exchanges over the Dispatch Box for many years to come.

As regards the Orgreave inquiry, I think the shadow Home Secretary has an urgent question on that this afternoon, to which the Home Secretary will be responding.

Jeremy Corbyn: The new Prime Minister also said on the steps of Downing Street:

"If you're young, you'll find it harder than ever before to own your own home."

In 1998, more than half of working households of people aged 16 to 34 were buying their own homes. Today, the figure is 25% and the Resolution Foundation suggests it will fall to 10% in the next nine years. What figure has the Prime Minister set herself for home ownership among young people?

The Prime Minister: I notice the timeline that the right hon. Gentleman referred to. He might have forgotten that during that period we had 13 years of a Labour Government—a Labour Government who had a very bad record on house building. It is this Government who will change that and this Government who are putting more into building more homes to ensure that young people have a better opportunity to get on the housing ladder. That is why we are a Government who will govern for everyone in this country.

Jeremy Corbyn: That Labour Government put a decent homes standard in place in every part of this country. I am not sure that—[*Interruption.*] I am not sure that starter homes at £450,000 for young people earning 7% less than their parents' generation represent a good prospect for people owning their own homes.

The Prime Minister is rightly concerned that:

"If you're black, you're treated more harshly...than if you're white."

Before appointing her new Foreign Secretary, did she discuss with him his description of black people as "piccaninnies" and ask why he had questioned the motives of US President Obama on the basis of his "part-Kenyan" heritage?

The Prime Minister: The right hon. Gentleman started his question by making reference to the issue of starter homes and the upper limit in London of £450,000. I have sat on these Benches and heard him raise that with my right hon. Friend the Member for Witney (Mr Cameron) on a number of occasions when he was Prime Minister. Can I just explain this to the Leader of the Opposition? If he looks at house prices across the country, he will see that they vary. In Liverpool, the average house price is just over £116,000. In London, the average house price is just over £676,000. That is why we have a higher limit for starter homes in London. If he objects to that, he needs to tell his constituents why he is against their having opportunities to get on the housing ladder.

The right hon. Gentleman referred to the remarks I made. It is correct that if you are black, you will be treated more harshly in the criminal justice system. That is exactly why, as Home Secretary, I dealt with the issue of stop and search. I was concerned to make sure that nobody should be stopped and searched on the streets of this country because of the colour of their skin. I did that as a Conservative; in 13 years, Labour did nothing on it.

Jeremy Corbyn: My question was actually about the language used by the Foreign Secretary.

Earlier this week, the new Chancellor abandoned the Government's budget surplus target, which Labour has long called for. The Prime Minister's Government are already missing their targets on debt, the deficit, the welfare cap and productivity. Six years of Government austerity have failed. The long-term economic plan is clearly dead. Is there a new one?

The Prime Minister: It is the long-term economic plan that has delivered the record level of employment that we see today. Perhaps I could put the right hon. Gentleman straight. We have not abandoned the intention to move to a surplus. What I have said is that we will not target that at the end of this Parliament. He uses the language of austerity; I call it living within our means. He talks about austerity, but actually it is about not saddling our children and grandchildren with significant debts in the years to come. It is not about austerity; it is about ensuring that we have an economy that works for everyone.

Jeremy Corbyn: Jobless claims have risen for the fourth month in a row and welfare claims have risen as well. Austerity actually means people being poorer,

services being cut and local facilities being closed. In her speech on the steps of Downing Street the Prime Minister also addressed insecure workers, saying:

“You have a job but you don’t always have job security.”

Does that mean that those people who are worried about their future in work—[*Interruption.*] I am talking of the people who sent us here to serve them. Does that mean that she is proposing to scrap employment tribunal fees, repeal the Trade Union Act 2016 and ban zero-hours contracts, as more than a dozen European nations have done already? That would help to give greater job security to many very worried people in this country.

The Prime Minister: Again, I say to the right hon. Gentleman that yes, I said that on the steps of Downing Street, because it is very important that here in this House we consider not only what might be called the more obvious injustices, but life for those people who are in work and struggling to make ends meet. That is essential, and the Government have raised the threshold at which people start to pay income tax, for example. It is also about making sure that we have more well-paid jobs in this country, which the Government are also doing.

I am interested that the right hon. Gentleman referred to the situation of some workers who might have job insecurity and potentially unscrupulous bosses. I suspect that many Members on the Opposition Benches might be familiar with an unscrupulous boss—a boss who does not listen to his workers, a boss who requires some of his workers to double their workload and maybe even a boss who exploits the rules to further his own career. Remind him of anybody?

Jeremy Corbyn: We are sent here to represent people. Many people in this country are struggling with low wages and insecure jobs—[HON. MEMBERS: “You!”] I know this is very funny for all the Conservative Members, but I do not suppose there are too many Conservative MPs who have to go to a food bank to supplement the food on their family’s table every week. We should reflect on that.

The Prime Minister highlighted the failures of her predecessor on social justice, home ownership, education and the cost of living. Some might say that, as a Cabinet Minister, she too was responsible for those. She empathised with working people, saying:

“I know you’re working around the clock, I know you’re doing your best, and I know that sometimes life can be a struggle.”

Yesterday a report from the Institute for Fiscal Studies found that two thirds of children living in poverty in Britain have at least one parent in work. What, other than warm words, is she going to offer those families and those children, who are often hungry and very insecure in their way of living? Is it not our duty to offer some hope and security to them?

The Prime Minister: Yes it is, and we are concerned about those people, but the answer is not the Labour party’s unlimited, uncapped welfare for people. The answer for people who are in work and struggling and for those who want to get into work is to have a strong economy that delivers jobs, and well-paid jobs in particular. I assure the right hon. Gentleman that on the Government Benches we are focused on building a country that works for everyone. That means an economy that ensures

that everyone can benefit from the nation’s wealth, a society where everyone gets the opportunities they deserve and a democracy that everyone can have faith in.

Finally, I say to the right hon. Gentleman that the Labour party may be about to spend several months fighting and tearing itself apart; the Conservative party will be spending those months bringing this country back together.

Hon. Members: More!

Mr Speaker: There will be more. I call Sir Edward Leigh.

Q4. [905972] **Sir Edward Leigh** (Gainsborough) (Con): I agree with the Prime Minister. [HON. MEMBERS: “Hear, hear!”] We are leaving the EU and we are going to make a success of it, so will she make my day special by saying that she is prepared to reject staying in the single regulated market and to offer instead to our friends in Europe a free trade deal that is very much in their interests? Let us take back control.

Hon. Members: Hear, hear!

The Prime Minister: I am tempted to say that I probably ought to sit down and enjoy that for the rest of the day. My hon. Friend has made my day, and I hope that I can make his day by wishing him a very happy birthday. I assure him that as we look at the result of the referendum, I am very clear that Brexit does mean Brexit, and as he says, we will make a success of it. In negotiating the deal, we need to ensure that we listen to what people have said about the need for controls on free movement, and that we also negotiate the right and best deal for trade in goods and services for the British people.

Angus Robertson (Moray) (SNP): May I extend my congratulations to the Prime Minister on her first outing at Prime Minister’s questions, ahead of her travels to Berlin? The German Vice Chancellor, Sigmar Gabriel, has already confirmed how Scotland is able to remain in the European Union. Did the Prime Minister discuss that when she met First Minister Nicola Sturgeon in Edinburgh, and will she do everything to ensure that remain means remain for Scotland?

The Prime Minister: I thank the right hon. Gentleman for his welcome, for his comments in Monday’s debate, and for his recognition of support for my husband Philip. As the right hon. Gentleman said, we all rely on support from those around us to do our jobs, and we should never forget that. I did discuss arrangements in relation to the negotiations for the United Kingdom leaving the EU with the First Minister, and I was very pleased that my first trip was a trip to Scotland and that I was able to do that so early in my premiership. As I have been clear, the Union is very important to me. I was also clear with the First Minister that I think that some of the ideas being put forward are impracticable, but I am willing to listen to options that are brought forward, and we will be engaging fully with all the devolved Administrations.

Angus Robertson: Germany has the highest level of support of any continental European country for Scotland remaining in the European Union. Will the Prime Minister thank Chancellor Merkel for the interest of the members

of her Government and of the Bundestag in having Scotland remain within the EU? Will she assure the Chancellor and other Heads of State and Government that we in Scotland will do everything—everything—that is necessary for us to remain in the EU?

The Prime Minister: The right hon. Gentleman has taken that line for some time—he took it with my predecessor—but I find it a little confusing, given that only two years ago in the Scottish referendum, the Scottish National party was campaigning for Scotland to leave the United Kingdom, which would have meant leaving the European Union.

Q6. [905975] **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): We all stand with the people of France, and particularly Nice, following the appalling terrorist act there last week. Will the Prime Minister update the House on how the security collaboration between our two countries can help to prevent such attacks in future, and will she reassure the French people that although we are leaving the European Union, the close links between our two countries will remain steadfast?

The Prime Minister: My hon. Friend raises an important topic, and as has been said in this House before, our thoughts are with all the people of France after the appalling attack that took place in Nice last week. We continue to work with the French authorities in the aftermath of that attack, and my hon. Friend is right to say that we must continue our security co-operation with France and other European countries. We will not be cowed by terrorists; we both face the same threats, and we need to work together to defeat those threats. I absolutely confirm that, yes, the United Kingdom will leave the European Union, but the United Kingdom is not leaving Europe and our co-operation will continue.

Q2. [905970] **Mr Jamie Reed** (Copeland) (Lab): I welcome the Prime Minister to her place and I wish her well in healing the country in the months and years to come—after all, it is she and her colleagues who so bitterly divided it. I also thank her for her wholehearted support for and endorsement of official Labour party policy on Trident. It is such a refreshing change to hear that from the Dispatch Box.

As a type 1 diabetic and a father and uncle to children with type 1 diabetes, and on behalf of 500,000 people in this country, 30,000 of them children, may I thank the Prime Minister for the example she has shown in demonstrating without doubt that diabetes does not hold us back in any way whatsoever? There is no doubt that the Prime Minister's predecessor left the NHS in a much worse condition than he found it. Will the Prime Minister visit West Cumberland hospital in my constituency, honour the promises made by the previous Prime Minister, and stop her Government cutting services there further?

The Prime Minister: The hon. Gentleman refers to divisions on the Conservative Benches. I have to say: which party was it that took three weeks to decide who its unity candidate should be? It is the Labour party that is divided.

I thank the hon. Gentleman for his remarks on type 1 diabetes. There are many youngsters out there, from tiny tots to teenagers, living with type 1 diabetes. It is

important that we send a message to them that their future is not limited: they can do whatever they want.

The hon. Gentleman is the first hon. Member at Prime Minister's questions to invite me to his constituency. I will, of course, look very closely at all invitations I receive. It is important that decisions about the construct of local NHS services are taken at a local level by the NHS. He made a point about the agreement in the official policy of the Conservative party and the Labour party on Trident. I simply remind him that where we did disagree at the election was that the Conservative party agreed to put in the money that was necessary for the NHS. The Labour party refused to commit to that.

Q7. [905976] **Nusrat Ghani** (Wealden) (Con): Extremism takes many forms, from the atrocity in Nice to the violent murder of Qandeel Baloch by her own brother in Pakistan. That murder was justified as an "honour killing". There have been 11,000 incidents of self-styled honour crimes in the UK in the past five years. Does the Prime Minister agree that such crimes are in fact acts of terror, not honour? Will she therefore direct her new Government to choose to lead and end the use of the word "honour" to describe these vile acts in order to stop giving any legitimacy to the idea that women are the property of men?

The Prime Minister: My hon. Friend raises a very important issue, one that I think resonates across the whole House. She is absolutely right: extremism does take many forms. That is why, in the Government's counter-extremism strategy, we are looking very widely across the breadth of issues of extremism, including tackling the root causes of some practices within communities, such as so-called honour-based violence. I absolutely agree with her that there is absolutely no honour in so-called honour-based violence. It is violence and a criminal act, pure and simple.

Q3. [905971] **Julie Cooper** (Burnley) (Lab): I, too, welcome the Prime Minister to her first Prime Minister's Question Time. Will she listen to the headteachers of the excellent primary schools in my constituency? They tell me that the recent unprecedented changes to primary education, including the new SATs, have led to negative impacts on children's learning outcomes. Will she urge the new Secretary of State to take those concerns forward, listen and make useful changes?

The Prime Minister: I thank the hon. Lady for her welcome. Getting education right is absolutely crucial if we are to ensure that people can take up the opportunities they deserve and have the aspiration to take up those opportunities. Obviously, my right hon. Friend the new Education Secretary will be looking across the board at the education provision that is in place. We have made some important changes already over the past six years that are improving the quality of education and mean that more children are receiving the quality of education they need. There is, of course, more for us to do and we will be looking to do that.

Q8. [905977] **Andrew Stephenson** (Pendle) (Con): In my constituency, aerospace is of vital importance, with Rolls-Royce employing more than 1,000 people at sites in Barnoldswick. Aerospace is important not just to Pendle, however, but to the whole UK economy, so will

the Prime Minister congratulate all the companies that attended the Farnborough airshow last week on the deals they signed, and does she agree that the nearly £100 billion of trade deals already done this year demonstrates that Britain is very much still open for business?

The Prime Minister: My hon. Friend is absolutely right that Britain is open for business, and I know what an important role the aerospace industry plays in his constituency, as he pointed out with his reference to Rolls-Royce, and in constituencies across the country. I also know of the importance of the Farnborough airshow. My hon. Friend the Member for Aldershot (Sir Gerald Howarth) was telling me last night what a great airshow it was. The Government committed at Farnborough to providing a new £365 million fund for research and development to ensure we retain our leading position in the sector. As my hon. Friend also said, a significant number of trade deals have already been signed, which shows that Britain is open for business. I would encourage other companies to go out there and get that business.

Q5. [905973] **Catherine McKinnell** (Newcastle upon Tyne North) (Lab): I, too, welcome the right hon. Lady to her place. Newcastle airport was voted “best in Britain” this week, but the good news that it is really waiting for is a decision on Heathrow expansion. The Prime Minister knows that Britain needs to be open for business, so will she do better than dithering Dave and give us a decision without delay?

The Prime Minister: I have fond memories of Newcastle airport, from the time when I stood in the North West Durham constituency some years ago and made quite good use of the airport. It has changed and expanded rather since then. Our position on Heathrow has not changed. Obviously, there was the Howard Davies review, and further work has been done on the question of air quality around the proposals put forward. The Cabinet and the Government will take a decision, in the proper way, in due course.

Q12. [905981] **Kelly Tolhurst** (Rochester and Strood) (Con): Based on an analysis of the crime survey for England and Wales by the Children’s Society, it is estimated that 113 16 and 17-year-old girls in my constituency experienced a sexual offence in the past year. Given the progress made in tackling child sexual exploitation in the last few years, will my right hon. Friend outline whether the Government have plans to strengthen the protection for this particular vulnerable age group?

The Prime Minister: My hon. Friend raises a very important issue. We have seen recently the appalling circumstances in Rotherham in relation to child sexual exploitation, but as she has shown, in every constituency in the country, young people are being subjected to sexual offences of various sorts. That is why, since Rotherham, the Government have been working with all the appropriate agencies to ensure we put greater support in place. We have provided an extra £7 million of funding to ensure that victims of sexual abuse receive the right support, launched the whistleblowing helpline to help authorities to spot patterns of failure, and made child sexual abuse and exploitation a national threat,

meaning that police authorities have a duty to collaborate on this terrible crime. In the coming months, we will also be strengthening our arrangements. We are all appalled by child sexual abuse, and we need to carry on making sure that we eradicate it.

Q9. [905978] **Imran Hussain** (Bradford East) (Lab): In her first statement from the steps of Downing Street, the Prime Minister stated that she would lead a Government who would work for everyone. Since she became Prime Minister, I have tried unsuccessfully to get assurances on the continuation of the northern schools strategy and the £80 million set aside for it. Will she give me that commitment today so that children in Bradford and the north can have the same chances as those in London and the south?

The Prime Minister: It is important that we ensure that children across the country get the opportunities they deserve, and the quality of education they receive is an important part of that. The review launched in March by Sir Nick Weller will make recommendations to address this particular issue. I assure the hon. Gentleman that my right hon. Friend the Education Secretary will look carefully at the result of that review and, in due course, make clear the Government’s response to its recommendations.

Q13. [905982] **Stuart Andrew** (Pudsey) (Con): Growing up on a council estate, I found it tough coming out—as a Conservative. Difficult as it was, I understood then, as I do now, that it is only Conservative Governments that deliver real social mobility. Does my right hon. Friend agree that it is the Government’s job to fight for such opportunities for the people of Britain, because the Labour party are too busy fighting each other?

The Prime Minister: My hon. Friend puts it very well. If we look at the Conservative Benches, we see, as he said, Conservative Members of Parliament who were brought up in council houses and Conservative MPs brought up by single parent families, while the chairman of the Conservative party is a former miner. It is this party that is looking at opportunity for all. I am certainly very clear that the Government I lead will be driven not by the interests of the privileged few, but by the interests of everyone in this country. We are not entrenching the advantages of the privileged few in terms of opportunity, but extending opportunity to all.

Q10. [905979] **Stuart Blair Donaldson** (West Aberdeenshire and Kincardine) (SNP): Whatever one’s politics, one cannot help but be inspired by last week’s image of the female Prime Minister of the UK meeting the female First Minister of Scotland. It sends a message to girls everywhere that they can achieve anything they want and nothing should be off limits to them. Does the Prime Minister agree that to do this, girls and women should be able to live free from gender-based violence and domestic abuse, and will she commit to supporting the Bill of my hon. Friend the Member for Banff and Buchan (Dr Whiteford) and ratify the Istanbul convention?

The Prime Minister: It is an important symbol for girls and young women when they can see women in positions such as Prime Minister and First Minister of

Scotland. I respect the First Minister; we had a very constructive first meeting. There were certain issues on which we disagree and will continue to disagree, but we will work practically and pragmatically together.

It is important to deal with the issues of gender violence and domestic violence against women and girls. That is why the Government have—I led this as Home Secretary—a strategy to deal with violence against women and girls, which is now being taken on by my right hon. Friend the new Home Secretary. We have a good record on what we have done, for example, putting into operation domestic violence protection orders and the new coercive control offence, but there is always more to do and we will be doing that.

Simon Hoare (North Dorset) (Con): I welcome my right hon. Friend to her place, and if it is not too untoward to say, I declare it as game, set and match to her this afternoon. Last week, when I met local National Farmers Union representatives in North Dorset, they understood precisely what we were doing in delivering on Brexit, but were keen to ensure that the needs of agriculture and British farmers are front and centre in those discussions and that their interests are not neglected. May I invite my right hon. Friend to make that commitment today?

The Prime Minister: I am very happy to make the commitment that, as we look at the position we will take in the negotiations for the UK to leave the European Union, we will consult widely. I recognise that agriculture is a sector that is particularly affected by Brexit, and I can assure my hon. Friend that we will consult and listen to the views of farmers and others involved in the food industry and agricultural sector.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I congratulate the right hon. Lady on becoming Prime Minister, and gently remind her of the conversation we had a few weeks ago when I said she was going to come through the middle and trounce the men standing for that position. I was right. I also said I was going to put some money on her, but I never got round to it—unfortunately, because the odds were very good at the time.

May I ask the Prime Minister a serious question about the younger generation, the millennials? So many of them in our country believe that they are citizens of Europe who have the ability to travel, to work and to be true Europeans. Will she soon give them her vision of how that reality as European citizens can be delivered even in the present circumstances?

The Prime Minister: I thank the hon. Gentleman, and I do indeed remember the conversation in which he said that I would, as he put it, “trounce the men”. I have to say, however, that the Conservative party came up with an all-woman shortlist, without being required to do so.

The hon. Gentleman raises an important point about the younger generation. This is what I would say to them today. As I said a little earlier in response to my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), we are leaving the European Union, but we are not leaving Europe. Over the coming weeks and months, we will be setting out our negotiating

position on the relationship with the European Union when we leave. I would also say to the young people that the hon. Gentleman talks about that we should not limit their opportunities and their horizons by just looking at Europe. This country will make a success of Brexit, because we will be out there in the world as an outward-looking, expansive country, with opportunities around the globe.

Philip Davies (Shipley) (Con): May I warmly welcome the Prime Minister to her post? Unlike dithering Barry, I did place a bet on her becoming the next leader of our party. I apologise for the fact that my phone was obviously turned off when she was calling me to invite me to join her Government.

The reason the people of Yorkshire voted overwhelmingly to leave the European Union was largely to do with immigration control. Can the Prime Minister reassure them that when we finally do leave the European Union, she will insist on keeping her original promise to bring the immigration figures down to the tens of thousands?

The Prime Minister: The vote that took place on 23 June sent a very clear message about immigration. It sent the clear message that people want control of free movement from the European Union, and that is precisely what we will ensure that we get in the negotiations that we will undertake. I also remain absolutely firm in my belief that we need to bring net migration down to sustainable levels, and the Government believe that that means tens of thousands. It will take some time to get there, but now, of course, there is the added aspect of the controls that we can bring in relation to people moving from the European Union.

Mr Speaker: Finally, I call Mr Tim Farron. [*Interruption.*]

Tim Farron (Westmorland and Lonsdale) (LD): You are all very, very kind.

May I, genuinely, warmly welcome the Prime Minister to her position? She has come a long way since we were on the hustings together in North West Durham, and she is no doubt reflecting on the fact that she is receiving more support in the Chamber than either of us received in Consett working men's club.

There are reports today that the new Brexit unit will be hiring lawyers at a cost of £5,000 per head per day. May I ask whether the Prime Minister will be using the mythical £350 million to pay the legal fees, or is that still pencilled in for the NHS, as promised by her Cabinet colleagues who campaigned for Leave?

The Prime Minister: I think it absolutely right for us to create a new Department to focus on the work of negotiating the United Kingdom's departure from the United Kingdom, and that Department will need the expertise that will enable it to undertake the negotiations.

I am very happy to remember the days that the hon. Gentleman and I spent campaigning in North West Durham at the time of a general election. Little did the voters of North West Durham know that the two unsuccessful candidates in that election would become leaders of two of the country's political parties, although I would point out to the hon. Gentleman that my party is a little bit bigger than his.

Orgreave: Public Inquiry into Policing

12.39 pm

Andy Burnham (Leigh) (Lab) (*Urgent Question*): To ask the Home Secretary if she will clarify comments made last week in another place on calls for a public inquiry into policing at the Orgreave coking plant in 1984.

The Secretary of State for the Home Department (Amber Rudd): Last week my noble friend the Advocate General for Scotland answered an oral question asked by Lord Balfe of Dulwich on whether the Government had yet decided whether there would be an inquiry into police actions during the Orgreave miners' clash in 1984. He explained that the previous Home Secretary had been considering the Orgreave Truth and Justice Campaign's submission, and that the Independent Police Complaints Commission is working with the Crown Prosecution Service to assess whether material related to the policing of Orgreave is relevant to the Hillsborough criminal investigations with decisions yet to be made by them on whether any criminal proceedings will be brought as a result.

The Government take all allegations of police misconduct very seriously and the then Home Secretary considered the campaign's analysis in detail. I can tell the right hon. Gentleman that I have today written to the campaign secretary, Barbara Jackson, to say that I would be very happy to meet her and the campaign immediately after the summer recess. I would also be happy to meet the right hon. Gentleman to discuss this case as I know this is something that he feels very strongly about. This is one of the most important issues in my in-tray as a new Home Secretary, and I can assure him that I will be considering the facts very carefully over the summer. I hope to come to a decision as quickly as possible following that.

Andy Burnham: I promised the Hillsborough families the full truth about the 20-year cover-up. They will not have it until we also know what happened after Orgreave. A year ago the IPCC found senior officers gave untrue statements exaggerating violence from miners to distract from their own use of force, some would say brutality. So the force that would wrongly blame Liverpool supporters tried to do the same against the miners five years before. In response, the then Home Secretary promised to consider a public inquiry. That was welcome because the miners' strike caused deep scars when, in the words of a former chief constable, the police were used as an "army of occupation". The Orgreave Truth and Justice Campaign has, as the Home Secretary said, submitted an application, but there was a somewhat unexpected announcement in another place last week that it would now be substantially delayed. The Advocate General's exact words were:

"The IPCC told Home Office officials that if it announced any action to set up an inquiry or other investigation relating to Orgreave, it would have an impact on the Hillsborough investigation."—[*Official Report, House of Lords*, 13 July 2016; Vol. 744, c. 216.]

However, the deputy chair of the IPCC says:

"I would like to clarify that the IPCC has not taken or offered any position on whether there should be a public inquiry... That is a decision that is entirely a matter for the Home Secretary."

That is why we have brought the Home Secretary here today.

I welcome the Home Secretary's offer to meet me, but might it not help to build the right climate if she today corrects the misleading impression given to Parliament that the IPCC had advised against the establishment of an inquiry at this time? Does she accept that there is no reason why ongoing investigations should delay an Orgreave inquiry, and that in similar situations it is commonplace for protections to be put in place to manage any risks? Can she see why the Government's actions look like a Home Office manoeuvre to shunt a controversial issue into the long grass?

This, one of the final decisions of the former Home Secretary, was announced as she stood on the steps of Downing street promising to "fight injustice". People may remember another Tory Prime Minister quoting St Francis of Assisi outside No. 10 and the subsequent gap that emerged between her fine words and her deeds. To ensure that history does not repeat itself, will the Home Secretary do the right thing? Will she restore the trust that has been damaged among people who have already waited more than 30 years for the truth and, today order a full public inquiry into Orgreave?

Amber Rudd: The right hon. Gentleman will know that this Government have not been slow in looking at historical cases. There have been Labour Governments and there have been Conservative Governments since 1984, but it is this Government who are taking the campaign very seriously. I will not resile from that. I have told the campaign I will look at the evidence I have. It was submitted at the end of last year; it is a substantial file. It is because I take this so seriously that I am not going to rush it. It would be a mistake to do that today. What I am going to do is look at it over the summer, meet the campaign group in September and reach a decision after that. The right hon. Gentleman should not allow anybody to think that this means I do not take it seriously; the Government take it very seriously and will reach a proper conclusion when I have looked at all the evidence.

Sir Eric Pickles (Brentwood and Ongar) (Con): The future of South Yorkshire police is clearly linked to this. These allegations are historical, but if we bring them together with more contemporary problems it seems to be a force that has institutionalised dysfunctionality. Surely my right hon. Friend now must look at the future function of South Yorkshire police's management, and not shy away from any fundamental reorganisation?

Amber Rudd: My right hon. Friend will not be surprised to hear that we are doing exactly that. He draws an important point to our attention, and it is particularly that issue that the IPCC is looking at. I can reassure my right hon. Friend, as well as the right hon. Member for Leigh (Andy Burnham) and the House, that the work of the IPCC will not delay the work that I will be doing in looking at this particular case.

Anne McLaughlin (Glasgow North East) (SNP): The 1980s were a quite shocking time in politics. I know that Conservative Members will disagree, but it was a difficult time to be growing up, under Thatcher, and a distressing experience for many of us. There are many examples to

[Anne McLaughlin]

illustrate that, but what happened at Orgreave was one of the most shocking examples of all. It is not just me who is saying that. Liberty has said:

“There was a riot. But it was a police riot.”

Michael Mansfield QC has called it the

“worst example of a mass frame-up in this country this century.”

Obviously, he was talking about the last century. Alan Billings, the South Yorkshire police and crime commissioner has said that, on that day, the police were

“dangerously close to being used as an instrument of state.”

That is frightening indeed. The SNP welcomes the findings of the Hillsborough inquiry and urges the UK Government to ensure that accountability follows, but we call on them to go further by not looking at that tragedy in isolation. It is imperative that there should be an inquiry into the policing of Orgreave to ensure that justice is done and the public can regain trust—

Mr Speaker: Order. I am grateful to the hon. Lady, but I am afraid that she has exceeded her time.

Anne McLaughlin: I am sorry. I thought I had two minutes.

Mr Speaker: Order. We really must establish the principle that a time limit on an urgent question is a time limit on an urgent question. I do not want to single the hon. Lady out, but her question was too long. Forgive me.

Amber Rudd: I understand entirely the point that the hon. Lady is raising. It is about the crossover of police behaviour in the Hillsborough incident and the Orgreave incident. She raises an important point, and she is right to say that there are serious allegations to be addressed. That is what the IPCC will be looking at, but we will also be making sure that the incident at Orgreave and the questions that she has raised will be carefully examined.

David T. C. Davies (Monmouth) (Con): Will my right hon. Friend also assure us that any investigation that takes place will hear evidence from police officers who were allegedly injured by missiles while doing their duty in allowing people lawfully to go to work?

Amber Rudd: My hon. Friend is of course right: this cannot be a one-sided inquiry or investigation. I will ensure that we look at both sides of this, but I must tell him that there are some serious allegations to be considered.

Mr Dennis Skinner (Bolsover) (Lab): One of the things that occurred in the Hillsborough inquiry was that my right hon. Friend the Member for Leigh (Andy Burnham) and other people exposed the fact that the police were writing similar things about similar incidents. It has already been explained that the South Yorkshire police did exactly the same thing at Orgreave. I went there and saw it for myself. It was one-way traffic by the police, and then the same statement was written over and over again for each of the miners. So I hope the Home Secretary is not going to be hanging about for very long on this. An overt promise was made by the last Home Secretary that, arising out of Hillsborough, the Orgreave case would be linked to it. Let's have some truth and justice for Orgreave.

Amber Rudd: The hon. Gentleman is right to ask for truth and justice. That is why I contacted the campaign leader this morning to ensure that we have an appointment to see each other in September. I assure the hon. Gentleman that I am not hanging around on this. It is one of the most important items in my in-tray. There are a lot of allegations, some of which he has raised here today, and I will look at them.

Alec Shelbrooke (Elmet and Rothwell) (Con): I welcome my right hon. Friend to her new position. I also welcome this urgent question from the right hon. Member for Leigh (Andy Burnham), because these are important issues. I very much back up what my right hon. Friend the Member for Brentwood and Ongar (Sir Eric Pickles) has just said. As I have said before, when talking about the Hillsborough verdict, the name “South Yorkshire police” now does a disservice to the honest, hard-working officers who put themselves on the frontline. I appreciate that the Home Secretary is taking time over the summer to consider this inquiry. May I ask her—I know she cannot answer today—to acknowledge that the time has come to consider reorganising Yorkshire policing and to remove the name “South Yorkshire police”?

Amber Rudd: I can tell my hon. Friend that the new leadership has made a clear commitment to address issues within South Yorkshire police. The incoming chief constable will have in place a long-term package of support, comprising several subject experts from across policing and the College of Policing. They are aware of the damage that has been done and my hon. Friend's suggestion may be one thing that they consider, but it is most important to have clear leadership to deal with the legacy of difficulties.

Mr Alistair Carmichael (Orkney and Shetland) (LD): I welcome the new Home Secretary to her position and wish her well. It is not unreasonable in these circumstances for her to want to take time to consider the matter, but it will not go away. While it may relate specifically to South Yorkshire, it has implications for the credibility of policing right across the country. Does she accept that this matter is wholly exceptional and will need a wholly exceptional resolution?

Amber Rudd: The right hon. Gentleman makes an important point. I made a point earlier about historical cases, which make it feel like there is a series of issues and allegations to be dealt with. I hope that he will take some comfort from the fact that this Government and the previous Home Secretary have a reputation for not shying away from addressing difficult issues. I hope to ensure that we continue to deserve that reputation.

Mike Wood (Dudley South) (Con): My father was a West Midlands policeman in the 1980s and spent some days policing at Orgreave. Clearly, where there is solid evidence of police malpractice, it must be dealt with effectively and with the full force of the law. Does the Home Secretary recognise the concerns of many serving and retired police officers about what they perceive to be a political campaign with a predetermined outcome?

Amber Rudd: My hon. Friend makes an important point, and I will take my time to come to what I feel will be a fair answer after looking at all the information. Nothing has been prejudged. Serious allegations have been made, but I will look at both sides.

Steve Rotheram (Liverpool, Walton) (Lab): There is a strong thread between Orgreave and Hillsborough, but there is also a parallel with Shrewsbury. The only way to disprove what the hon. Member for Dudley South (Mike Wood) just said about political motivations is to have a full independent inquiry. Why doesn't she get on with it and just do it?

Amber Rudd: I thank the hon. Gentleman for his view, but I repeat that it would be wrong for me to just, as he puts it, "get on with it". I want to look at the evidence; the process must be driven by evidence. The Orgreave Truth and Justice Campaign spent six months pulling together a substantial package and body of evidence. I will not ignore its work; I will take a careful look at all of it.

Ian Lavery (Wansbeck) (Lab): I am really concerned at the language already being used by the right hon. Lady about the Orgreave incident. She just classified the incident at the Dispatch Box as a "miners' clash". Would she like to clarify those words to the House?

Amber Rudd: I am happy to refer to it as an incident—the word that the hon. Gentleman uses—but it is more important to ensure that we look carefully at all the evidence. Once I have had a look at all the evidence and have reached a conclusion, I will be able to come back and describe it as what it really was.

Sarah Champion (Rotherham) (Lab): Orgreave is in my constituency and people still come to my surgery in tears after reliving the horror they saw when they went with their families to picket peacefully, the violent abuse that they suffered and the vile media campaign afterwards. Will the Home Secretary please give them justice and peace by holding a public inquiry?

Amber Rudd: The hon. Lady makes a clear and passionate case as she always does in the House when she campaigns. My office spoke to the campaign group this morning and I will be meeting the group in September. I appreciate the levels of distress, hurt and historical anger that are part of this case, which is why I will take it seriously.

Louise Haigh (Sheffield, Heeley) (Lab): With my hon. Friend the Member for Wansbeck (Ian Lavery), I brought the campaign group down to meet the then Home Secretary over a year ago. It was therefore unexpected and unwelcome to hear last week that, after all that, she was still waiting for the investigations to be concluded. The shadow Home Secretary raised a serious question about the IPCC's advice. Will the Home Secretary take this opportunity to correct the record, and will she give a firm commitment about exactly when after meeting the campaign group in September she will be making a decision?

Amber Rudd: I recognise that this has been a long time in coming—the incident happened of course in 1984. The previous Home Secretary met the campaign group in July last year. Six months later, it came back with the evidence, so we have had that since the end of last year. I have decided that I will look at it over the summer—it is substantial—and will meet the campaign group in September. I will come to a decision as soon as

I can after that. I hesitate to say anything firmer than that, but I reassure the hon. Lady that I will come to a decision as soon as I can.

Mark Durkan (Foyle) (SDLP): Does the Home Secretary recognise that Orgreave was a scandalous episode that we will not get to the bottom of unless we get to the top of it? That is why many people are suspicious of any possible denial or deferral of a due inquiry.

Amber Rudd: I know about the concerns that the hon. Gentleman refers to when he says "the top of it" and that is what the IPCC is focused on. It is about looking at the connections between the Hillsborough inquiry that we have already had and Orgreave. I will not shy away from looking carefully at wherever there has been wrongdoing or wherever there are links.

Mr Clive Betts (Sheffield South East) (Lab): While Orgreave happened many years ago, problems still exist in South Yorkshire police, as the recent peer review identified. I thank the previous Home Secretary and the previous Policing Minister, the right hon. Member for Hemel Hempstead (Mike Penning), for their help in setting up that peer review and their support for the police and crime commissioner in getting in an interim chief constable and then appointing a permanent chief constable—that was welcome. Will the Home Secretary now commit to support the IPCC in addressing the issue identified by the peer review? Will she also have a look at the role of Her Majesty's inspectorate of constabulary? It has done several reviews of South Yorkshire police in recent years but never identified the issues raised by the peer review.

Amber Rudd: The hon. Gentleman asks an important question. He is right; we hope that there will be progress under the new leadership. We will carefully follow progress under Dave Jones. My colleague the Minister for Policing and the Fire Service, my hon. Friend the Member for Great Yarmouth (Brandon Lewis), has already said he will be going to visit over the summer, so we are taking seriously the improvements that the new leadership has said that it will make.

Alison McGovern (Wirral South) (Lab): The Home Secretary said that she will make a decision in the autumn, but my right hon. Friend the Member for Leigh (Andy Burnham), my hon. Friends the Members for Liverpool, Walton (Steve Rotheram) and for Halton (Derek Twigg) and I, as chair of the all-party group on the Hillsborough disaster, spent many hours talking with the Home Secretary's predecessor and the IPCC to understand the consequences of the decisions being made about that injustice. Will the Home Secretary speak to the Prime Minister about that experience to learn those lessons and will she commit to meeting extensively with Members about the horrific events at Orgreave?

Amber Rudd: I can certainly give the hon. Lady that commitment. I have already said that I will meet the right hon. Member for Leigh. If any other colleagues would like to join us in that meeting, I will also meet them to ensure that I am fully informed and up to date on the whole issue and the campaign thus far.

Mike Kane (Wythenshawe and Sale East) (Lab): It is important that not all police officers are tarred with the same brush on Orgreave. I have heard personal testimony from Greater Manchester police officers saying that they did not co-operate with the corrupt practices of South Yorkshire police during the dispute. How does the Home Secretary suggest that I feed in that evidence?

Amber Rudd: I am grateful to the hon. Gentleman for raising that point, which was also made by my hon. Friend the Member for Dudley South (Mike Wood) in reference to his father. We must ensure that not everyone is tarred with the same brush—if indeed that is what happens. I will be delighted to receive any information from the hon. Gentleman that would help to reach a decision and that could form part of the inquiry that I am looking at in September.

Mr Speaker: Order. Presentation of Bill, Geraint Davies—where is the chappie? He is not here. [Hon. Members: He's behind you! Better late than never.]

BILLS PRESENTED

UK INTERNATIONAL TRADE AND INVESTMENT AGREEMENTS (RATIFICATION) BILL

Presentation and First Reading (Standing Order No. 57)

Geraint Davies, supported by Sir Edward Leigh, Ms Tasmina Ahmed-Sheikh, Hywel Williams, Mr Mark Williams, Helen Goodman, Sir Alan Meale, Jonathan Reynolds, Mrs Emma Lewell-Buck, Mark Durkan, Stewart Malcolm McDonald and Stephen Twigg, presented a Bill to require the Secretary of State to lay bilateral and multilateral trade and investment agreements before Parliament; to prohibit the implementation of such an agreement without the approval by resolution of each House; to provide a process for the amendment of such agreements, including any arrangements for investor-state dispute settlement, by Parliament; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 28 October, and to be printed (Bill 56).

PERINATAL MENTAL ILLNESS (NHS FAMILY SERVICES) BILL

Presentation and First Reading (Standing Order No. 57)

Rehman Chishti, supported by Norman Lamb, Yasmin Qureshi, Kelly Tolhurst and Tim Loughton, presented a Bill to make provision about the appropriate level of access to NHS services and accommodation for mothers with perinatal mental illness; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 2 December, and to be printed (Bill 57).

Electoral Reform (Proportional Representation and Reduction of Voting Age)

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

12.59 pm

Caroline Lucas (Brighton, Pavilion) (Green): I beg to move,

That leave be given to bring in a bill to amend the Representation of the People Acts to provide for the introduction of proportional representation as a method for electing Members of the House of Commons; to reduce the voting age to 16 in all UK elections and referendums; and for connected purposes.

I am introducing this Bill today because our electoral system is broken and we urgently need to address some of the reasons why. As a country, we pride ourselves on our strong commitment to democracy, yet the vast majority of votes cast up and down the land simply do not count. Power is held by a small minority, and the voting system upholds that status quo. We may be on the path to leaving the EU, but all those who were promised they would be given back “control” simply will not have it without meaningful electoral reform.

The current unrepresentative voting system is doing long-term pervasive damage, which manifests itself in phenomena such as a widespread lack of trust and faith in public servants, and the growth of what some have coined, with Orwellian overtones, “post-truth politics”. Far too many of our constituents are disillusioned, disaffected and disengaged, and continuing to deny them a voice in the decisions that affect us all only perpetuates the problems. Yet, that is exactly what happens under our first-past-the-post voting system. It is a system where votes are not all equal, because unless someone lives in one of the small number of heavily targeted marginal seats, their vote simply does not count. The Electoral Reform Society has described the 2015 general election as

“the most disproportionate in electoral history”,

with this Government elected on just 24% of the eligible vote.

First past the post has a long record of failing to deliver Governments who command genuine majority support. In 1997, Labour gained 43.2% of the total votes cast but won 63% of seats at Westminster. In that same election the combined number of votes for the Tories and Liberal Democrats represented 47.5% of the total votes, nearly 4% more than Labour, yet between them they got 32.1% of the seats available at Westminster. No Prime Minister since 1931 has won a majority of the vote to match his or her majority in the Commons—not Blair, not Thatcher, not Attlee.

Moreover, first past the post creates seats so safe that some incumbents are so relaxed as to be almost horizontal. This complacency in MPs is matched by disillusionment among voters. How does it engage people in the political process if large numbers are driven to vote tactically, rather than to vote for what they actually want, because, as so many campaign leaflets are always reminding us, “Party X can't win in this area”? Interestingly, MPs in safe seats were twice as likely as those with the smallest majorities to be found abusing the expenses system.

In the 1950s, most people simply voted Labour or Conservative, but since then the proportion of people voting for the two main parties has fallen from 97% to 67%. Parties other than the big three received 10% of the votes at the 2005 and 2010 elections, but in 2015 that rose to a staggering 24.9%—nearly a quarter and the biggest share since 1945. In other words, people vote differently now, and we need a voting system that is updated to reflect that.

My Bill would introduce a proportional voting system. There are two main PR systems, but my preference is for the additional member system, because it retains the constituency link, which most MPs value enormously. But I have deliberately not specified which system should be introduced, because it is the principle that I am seeking to establish at this stage. All voting systems have advantages and drawbacks, but none are so mind-bending that the public cannot cope with their complexities, despite what many detractors of PR like to claim. They perhaps forget that voters already manage with a PR system used for the London Assembly and for the Scottish and Welsh Parliament Members, and of course we have the single transferable vote for European elections. That same attitude demonstrates the very lack of respect for voters that adherence to the disproportionate first-past-the-post system perpetuates. Voters are not stupid; they know when they are being spun a line or patronised. It is deeply insulting to be denying them a fair vote on the basis that they would not know how to use it. As an aside, let me say that the fact voters decisively rejected the alternative vote system in 2011 is irrelevant; AV is not PR.

Under PR there is a simple relationship of cause and effect for voters. If they vote for a candidate, they increase his or her chances of getting elected. If they vote for a party, they increase that party's entitlement to seats. By doing this, they achieve more representation for their views. First past the post does not deliver seats that look like the votes cast, whereas PR does. A winner-takes-all system in which the Conservatives claim to have a mandate based on 37% of the vote and just 24% of the electorate is not sustainable, nor is one in which the Greens quadrupled their share of the vote nationally, to 1.1 million votes in 2015, and got one seat. The UK Independence party polled 3.8 million votes, and although I do not like its policies, it is still not right that it got just one seat. The Scottish National party, whose Members I am glad to call my hon. Friends, polled 1.4 million and won 56 seats. I know that even they would agree that that is a little disproportionate, which is why they are here in such force—I welcome that and am grateful to them. Of course, changing the voting system would not necessarily have changed the overall outcome, but that is not the central point here. The main reason for introducing PR is that making every vote count is a vital part of the process of reconnecting people and politics. I believe that encouraging more people to come out to vote because they know their vote matters would lead to an increased voter turnout.

Some people say that people are not interested in politics, but everyone is interested in the state of their local schools and in whether or not they have a local hospital. Those are political matters. Whatever someone's take on the recent EU referendum, it demonstrated that if people are given a say, they can be very political indeed, in the best possible sense of the word—as

citizens who feel they can be genuine agents for change. I would also anticipate that under PR we would return a Parliament that better reflects modern Britain. Only 29% of MPs are women and although that is more than ever before, it still not right when women make up just over half the country's adult population. People of colour, disabled people, carers, and lesbian, gay, bisexual and transgender—LGBT—people are still under-represented in Parliament. I think that would change under PR, because MPs would not be able just to rely on the votes of their tribe. To win the support of the majority of voters, they would be forced to reach out across the party divides to the wider electorate: to more women, to more black and minority ethnic—BME—communities and so forth. I hope that would mean traditionally excluded groups standing for election, too.

Above all, proportional representation is about fairness, which is why my Bill puts PR hand in hand with giving 16 and 17-year-olds the vote. Sixteen-year-olds are considered old enough to enter into marriage and civil partnerships, pay income tax and national insurance, obtain welfare benefits in their own right, and join the armed forces, a political party or a trade union. Surely they should help elect the MPs who make decisions about those very things. About 64% of registered voters aged 18 to 24 went to the polls in the EU referendum, compared with an estimated 52% in the last general election. In other words, increased awareness of voter registration, combined with a vote that actually counts, means that young people come out in large numbers to voice their opinions.

The United Kingdom was one of the first countries in the world to lower the voting age from 21 to 18, but it is now trailing behind countries such as Brazil, Argentina, and Austria—unless, of course, you live in Scotland, which has blazed a trail with a more inclusive and equal political system, through giving 16 and 17-year-olds the vote in the independence referendum. Those young people need a say, not just on the future of the Union, but on all the decisions that affect their future. We also need equality between 16 and 17-year-olds in Scotland and those in the rest of the UK.

If democracy is about fairly representing the views of the people, our current democratic system is failing. In future, especially with the Government's planned boundary changes, that could get even worse. PR would bring some much-needed fairness, as well as helping to tackle some of the reasons why people do not vote—the idea that their vote does not make a difference. Just under a month ago, people opted to take back control of our democracy, yet unless we reform the electoral system they will still have virtually no control over who runs the country or represents them in Parliament. Much has rightly been said about the importance of reversing the alienation and neglect felt in many parts of our country, which this EU referendum result laid bare. I believe that electoral reform and votes at 16 have a key role to play in healing the country and bringing it back together. They are a way of demonstrating to people that, yes, every vote they cast is important and, yes, their voice does matter and indeed has been heard.

1.9 pm

John Penrose (Weston-super-Mare) (Con): As we have heard, this Bill would do two things. Reducing the voting age has been repeatedly discussed and rejected

[John Penrose]

by sizeable margins in the Commons in the past 12 months. It was discussed, for example, in multiple stages of both the Cities and Local Government Devolution Bill and the European Union Referendum Bill, so I will not rehash all the same arguments here.

The proposed Bill would also change the voting system. Although I acknowledge and respect the energetic commitment and zeal of the hon. Member for Brighton, Pavilion (Caroline Lucas) for this particular cause, I fear that this Bill may harm our democracy rather than help it—the exact opposite of what she intends to achieve—because we held a referendum on whether to change our voting system in 2011 and, collectively, we voted against change. We decided to keep our tried and trusted first past-the-post system by a hefty margin of more than two to one. Therefore, a proposed Bill that claims to be about improving our democracy starts with a proposal to ignore a very clear democratic decision. The people have spoken, and, by a majority of more than 6 million, they have decided that they want none of this. Some would argue—in fact the hon. Lady did—that the 2011 referendum result should not count; that it asked the wrong question about the alternative vote system, which is not technically a proportional system at all; and that if only they could be allowed to rerun the poll with a slightly different question somehow a completely different result could be achieved.

Mr John Spellar (Warley) (Lab): Will the hon. Gentleman give way?

Mr Speaker: Order. There is no concept of giving way in respect of exchanges on ten-minute rule motions, a factor of which the right hon. Gentleman with his long experience ought to be aware.

John Penrose: I am happy to pick the matter up with the right hon. Gentleman in the Tea Room afterwards.

Let us ignore, for the moment, the unlikelihood of a 6 million vote majority being overturned by a small change in the question, and just consider for a second the dozens and dozens of different forms of proportional and alternative voting systems. It does not matter whether we are talking about open lists, zipped lists, the D'Hondt method, supplementary votes or transferrable votes, every different version has its own passionate and committed band of dedicated enthusiasts. Some of them are highly reputable organisations and others are lonely obsessives blogging furiously in the privacy of their parents' spare bedrooms. No matter who they are, it is simply not possible to argue that we should ignore the AV referendum result just because it did not propose precisely their preferred flavour of new voting system. That fundamentally misses the point. Not only did voters reject changing our tried and trusted first-past-the-post system, but they will take a very dim view indeed of the prospect of many further referendums in future as dozens of other organisations queue up to argue that the last poll did not propose precisely their particular favourite voting system and to demand yet another rerun with a slightly different question.

Even worse, this Bill comes at a time when a large proportion of the population is far more concerned about the much more recent EU referendum where

there was a narrower—although still decisive—majority verdict. I am not alone in getting hundreds of emails from people who do not like the result of the EU vote and are loudly demanding a rerun, a vote in Parliament, a lawsuit, anything in fact, to change the result. By telling people they can ignore the results of the even more decisive AV referendum in 2011, this Bill would implicitly encourage people to believe that they can ignore the result of the EU referendum too, telling them, in effect, that if they stick their fingers in their ears and sing Beethoven's "Ode to Joy" loudly enough, Brexit may not actually mean Brexit after all.

Our democracy is already pretty fragile, with trust in politics and politicians, and election turnout, already worryingly low. I cannot think of anything more calculated to stoke the fires of anti-political anger than acting as if the will of the people, clearly expressed in not just one but two separate referendums on different issues, might not be democratically binding or sovereign after all.

So please, Mr Speaker, enough already. This Bill ignores the repeatedly expressed democratic will of Parliament, which has already rejected lowering the voting age many times over the past year, and it ignores a thumping referendum verdict against changing the voting system in 2011 as well. We are about to abolish an entire layer of proportionately elected representatives when we get rid of MEPs as we leave the EU. Now is not the time to replace them with something else. The people have spoken and even though I understand and respect the fact that the answer is not to the hon. Lady's liking, I urge her please to respect its democratic power and to leave the issue alone for a long, long time.

Question put (Standing Order No. 23).

The House divided: Ayes 74, Noes 81.

Division No. 50]

[1.14 pm

AYES

Allen, Mr Graham	Greenwood, Margaret
Bardell, Hannah	Hayes, Helen
Black, Mhairi	Hendry, Drew
Blackford, Ian	Hosie, Stewart
Blackman, Kirsty	Howlett, Ben
Blomfield, Paul	Kerevan, George
Boswell, Philip	Lamb, rh Norman
Brake, rh Tom	Lewis, Clive
Brock, Deidre	Lucas, Caroline
Brown, Alan	MacNeil, Mr Angus Brendan
Cameron, Dr Lisa	Mc Nally, John
Carmichael, rh Mr Alistair	McCaig, Callum
Chapman, Douglas	McDonald, Stewart Malcolm
Cowan, Ronnie	McDonald, Stuart C.
Creasy, Stella	McDonnell, Dr Alasdair
Cruddas, Jon	McLaughlin, Anne
Day, Martyn	Meale, Sir Alan
Docherty-Hughes, Martin	Monaghan, Carol
Donaldson, Stuart Blair	Monaghan, Dr Paul
Durkan, Mark	Mulholland, Greg
Edwards, Jonathan	Mullin, Roger
Farron, Tim	Newlands, Gavin
Ferrier, Margaret	Nicolson, John
Gethins, Stephen	O'Hara, Brendan
Gibson, Patricia	Oswald, Kirsten
Glass, Pat	Paterson, Steven
Goodman, Helen	Phillips, Jess
Grady, Patrick	Reynolds, Jonathan
Grant, Peter	Ritchie, Ms Margaret
Gray, Neil	Robertson, rh Angus

Salmond, rh Alex
Saville Roberts, Liz
Sheppard, Tommy
Stephens, Chris
Streeting, Wes
Thewliss, Alison
Thompson, Owen
Thomson, Michelle
Twigg, Stephen

Whiteford, Dr Eilidh
Whitford, Dr Philippa
Williams, Hywel
Wilson, Corri
Zeichner, Daniel

Tellers for the Ayes:
**Mike Weir and
Marion Fellows**

NOES

Aldous, Peter
Allan, Lucy
Baker, Mr Steve
Baron, Mr John
Blackman, Bob
Blunt, Crispin
Brown, rh Mr Nicholas
Campbell, Mr Ronnie
Churchill, Jo
Cleverly, James
Costa, Alberto
Cryer, John
Davies, Byron
Davies, Mims
Davies, Philip
Dodds, rh Mr Nigel
Donelan, Michelle
Double, Steve
Duncan Smith, rh Mr Iain
Elliott, Tom
Elphicke, Charlie
Evans, Mr Nigel
Field, rh Mark
Francois, rh Mr Mark
Fuller, Richard
Hall, Luke
Henderson, Gordon
Hollobone, Mr Philip
Holloway, Mr Adam
Howarth, Sir Gerald
Huddleston, Nigel
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Johnson, Gareth
Kawczynski, Daniel
Kinahan, Danny
Latham, Pauline
Leigh, Sir Edward
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lopresti, Jack
Mackinlay, Craig

Main, Mrs Anne
Mak, Mr Alan
Mann, John
Marris, Rob
McCartney, Karl
Milling, Amanda
Murrison, Dr Andrew
Nuttall, Mr David
Penrose, John
Phillips, Stephen
Philp, Chris
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Rosindell, Andrew
Scully, Paul
Selous, Andrew
Simpson, David
Skinner, Mr Dennis
Smith, Henry
Smith, Royston
Solloway, Amanda
Stewart, Bob
Stringer, Graham
Sturdy, Julian
Swayne, rh Sir Desmond
Tomlinson, Justin
Tomlinson, Michael
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vickers, Martin
Whittingdale, rh Mr John
Wiggin, Bill
Wilson, Sammy
Wood, Mike
Wragg, William

Tellers for the Noes:
**Mr John Spellar and
Mr Peter Bone**

Question accordingly negated.

Opposition Day

[6TH ALLOTTED DAY]

Supported Housing: Benefit

1.26 pm

Grahame M. Morris (Easington) (Lab): Before I move the motion, I take the opportunity to welcome the Secretary of State for Work and Pensions and members of his team to their posts.

I beg to move,

That this House notes that the Government intends to cut housing benefit for vulnerable people in specialist housing, including elderly people and people who are homeless, disabled or fleeing domestic violence; believes that this will have harmful effects on current and future tenants of these specialist housing schemes; further notes that there is already a significant shortfall in this type of housing provision across the country; notes that charities, housing associations, councils and others have made Government Ministers aware of the damaging impact these cuts will have on tenants and the financial viability of these schemes and that the Government's proposal to mitigate these cuts with discretionary housing payments will not compensate for these cuts; notes that the Government's own evidence review into the impact of its decision, commissioned in December 2015, has yet to be published; notes that the Government has postponed the implementation of these cuts for new tenants to April 2017 but plans to fully roll out its planned cuts to housing benefit in April 2018; and therefore calls on the Government to exempt supported housing from its planned housing benefit cuts and to consult fully with supported housing providers to identify ways in which all vulnerable people who need supported housing can access it.

Six months ago my right hon. Friend the Member for Wentworth and Dearne (John Healey) led an Opposition day debate on the Government's decision to cap housing benefit support for vulnerable people in specialist housing. The decision will affect elderly citizens, our armed forces veterans, those with disabilities, people with learning difficulties and people with mental health problems. It will hit homeless people and it will jeopardise the safety of people fleeing domestic violence.

Following pressure from the Opposition Benches, and concerns raised by Members on the Government Benches, there was an interesting debate last week led by the hon. Member for Waveney (Peter Aldous). A campaign has been mounted across the country by community groups and housing providers. I was pleased that the Government agreed to delay the implementation of the cap, but I press Ministers now to go one step further. They must reverse their decision to slash housing benefit for a huge range of vulnerable people living in supported housing. What kind of country would we be if we abandoned the most vulnerable in our society? What kind of message will it send, not just to the country and to vulnerable people but to observers around the world, about the priorities of this Government?

What credibility will be left for the outgoing Prime Minister's repeated assertion that the Government would not balance the books on the backs of the poorest? Unless Ministers reverse that destructive decision, that is precisely what they will be doing. I am willing to give way to the Secretary of State if he is prepared to stand at the Dispatch Box, say that he will reverse the decision and make the announcement that we are all hoping for. To implement that decision would be a damning legacy for the former Prime Minister and a broken promise to

[Grahame M. Morris]

those who can least afford it. The decision is not just detrimental to the most vulnerable members of society; in purely financial terms, it makes no sense.

Mr Jim Cunningham (Coventry South) (Lab): Does my hon. Friend not agree that it is becoming more difficult for people to get housing benefit, and that in some instances, it might not be adequate?

Grahame M. Morris: Indeed, that is the case. The groups I originally listed are some of the most vulnerable in society—they are people who should be protected and who require supported housing. If the Government proceed on their intended course, some of the most disadvantaged and vulnerable people will be further disadvantaged, and the cost to the taxpayer and the Exchequer will be greater.

The Government's proposal does not make financial sense, and it leaves the providers of supported housing in an invidious position. I know that housing providers—I have met many of them—breathed a collective sigh of relief when the decision to cap support was delayed pending a review, but they are still left in a very precarious position, with the sword of Damocles hanging over the services they provide.

As my right hon. Friend the Member for Wentworth and Dearne pointed out in a debate in the House on 27 January, unless the Government reverse this pernicious proposal, 156,000 units of supported and sheltered housing may have to close.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend makes an important point. I have received a letter from the New Charter housing group, which operates social housing in the Tameside part of my constituency. New Charter hits the nail on the head when it says that, as a result of this proposal, it

“will not have the income to sustain the provision of supported housing”

and

“will inevitably see the closure of some schemes.”

It adds:

“Many of these supported and sheltered schemes”

in Tameside will

“become financially unviable”.

Is that not exactly what will happen up and down the country if these cuts continue?

Grahame M. Morris: I am grateful to my hon. Friend for making that point in a very concise way. [Interruption.] A member of the Government is saying from a sedentary position, “They don't know,” but the situation is absolutely clear. The point I am trying to make is that housing providers need certainty over their income streams before they can plan for new provision—that is a reasonable point, which I am sure is not beyond the understanding of Ministers with a financial background.

Maria Caulfield (Lewes) (Con): Is it not important to do this review, with housing benefit being rolled into universal credit? There is scaremongering that there are going to be cuts, but people do not actually know what

the outcome is going to be, so let us have a constructive discussion during the review and give some certainty to the sector.

Grahame M. Morris: With respect, I must point out that Government decisions should be based on evidence. Before embarking on a plan and a policy, it would be sensible to look at the evidence objectively and scientifically. If the hon. Lady wants expert opinion, I am happy to give her that and to quote the chief executive of the National Housing Federation, David Orr, who met the then Housing Minister on 18 December last year. He said—this is an expert in the field—that the impact of the local housing allowance cap will be

“stark and make it extremely difficult for any housing associations to develop new supported housing.”

He also said:

“providers across the country will be forced to close schemes.”

There is plenty of evidence of that, and I am sure that Members on both sides of the House have had representations from housing associations and housing providers.

Kevin Hollinrake (Thirsk and Malton) (Con): Does the hon. Gentleman understand that a research project is now looking at this evidence? That conflicts with his motion on the Order Paper, which says:

“the Government intends to cut housing benefit for vulnerable people”.

That is pure scaremongering.

Grahame M. Morris: It is a matter of fact. It is a kind of chicken-and-egg situation: surely you review the evidence before you announce a decision and then put it on hold. I believe the review was started in 2015—perhaps the Minister can correct me if I am wrong—so why are we still waiting for the results? Why did the Chancellor of the Exchequer make an autumn statement that had huge implications for some of the most vulnerable people living in supported housing, without looking at the evidence first?

Richard Fuller (Bedford) (Con): Will the hon. Gentleman give way?

Grahame M. Morris: I will give way this once, and then I would like to make a little more progress.

Richard Fuller: I do hope the hon. Gentleman will talk about the 20 years prior to this review, when there was no review. For many years under the Labour Government, there was no review of what was happening with the additional housing benefit for people in supported housing or of how it was being spent. Does he remember that in the last debate on this issue, many people said they did not know where that money was? They did not know how much money was being spent, what it was being spent on or whether it was effective. Are the Government not therefore absolutely right to conduct this review and then to come forward with their proposals? Is he really not just scaremongering?

Grahame M. Morris: We have to deal with the position we now find ourselves in. Demand for supported housing has changed and increased dramatically. One million people rely on food banks, which certainly was not the

case 10 years ago. We have a huge problem with people suffering from mental health problems and learning difficulties. We have a debt to our armed services personnel—our veterans—many of whom have post-traumatic stress disorder and need supported housing.

There are therefore new factors that we need to take account of, but, if I may be so presumptuous, it is surely the job of the Government to commission the studies. *[Interruption.]* Well, indeed. My right hon. Friend the Member for Wentworth and Dearne and my noble Friend Lord Beecham—or Jeremy Beecham, as we know him—have tabled a series of questions and got the answer that Ministers do not know. That is a bit of an indictment of Ministers, who are supposed to compile an evidence base on which to make decisions.

Looking again at the advice of professionals, we see that the National Housing Federation estimates that a staggering 80% of the total planned new build will not be built.

Richard Fuller *indicated dissent.*

Grahame M. Morris: The hon. Gentleman is shaking his head, but this is—*[Interruption.]* In practical terms it means that 9,270 specialist homes will not be built—*[Interruption.]* I will tell the hon. Gentleman why that is, because he is chuntering.

Richard Fuller: I'm sceptical.

Grahame M. Morris: Sorry, the hon. Gentleman is sceptical. The reason is that providers need certainty; without certainty they cannot proceed. Often, they are raising funding for these schemes—I can see the Minister for Housing and Planning nodding in agreement—and they need certainty when going to the market. Where there is uncertainty, they cannot raise the necessary funding. On that basis, as responsible organisations—they are a mixture of local authorities, housing associations, charities, charitable trusts and so on—they cannot reasonably go on to build the supported housing units I think everyone in the House agrees we need.

There is another effect as well. That situation, in turn, has a knock-on effect on the construction industry. The jobs that would have been created, and that I think we all want, will not now happen. This is an important sector, and we should be growing it, not allowing it to contract. At a time when house building outside London remains in the doldrums, that will be another setback for the industry and the economy.

How on earth can Ministers expect supported housing providers to continue, when they know that spending cuts and other policy decisions have already hit people living in supported housing schemes? Supported housing provides vital help for tens of thousands of people across this country. It is mark of a decent, civilised society that services such as this exist in the first place. They play a crucial role in providing a safe and secure home with support so that people can live independently and others can get their lives back on track. As I mentioned, that includes supporting ex-servicemen and women to find a stable home, including those suffering from post-traumatic problems, and with mental health needs and physical disability needs.

I remind the House of the armed forces covenant, which sets out the relationship between the nation, the Government and the armed forces. It recognises that

the nation as a whole and this House in particular have a moral obligation—I call it a debt of honour—to members of the armed forces and their families. It establishes how they should expect to be treated and how we should expect to treat them. I am an eternal optimist—I am a Sunderland supporter and we have escaped four times—but if Ministers do not do a U-turn today, they will be breaking that covenant with our veterans and those who have given so much in service to their country.

In addition to ex-servicemen and women, many older people also rely on supported housing to maintain their independence. These elderly citizens have worked all their lives and paid their taxes, only to find in the autumn of their lives that their Government are turning their back on them. Personally, I think that that is morally indefensible and a betrayal of a generation that gave us the welfare state and the national health service.

I know that some of my hon. Friends are going to address the issue of victims of domestic violence, who are another important group. Over time, a number of Members—not just Opposition Members, but Government Members—have raised concerns about the closure of homes for victims of domestic violence. I understand that at least 34 such establishments have closed, and I am advised by housing associations that all eight in my own region are at risk of closure, including that in my own constituency.

Pauline Latham (Mid Derbyshire) (Con): The hon. Gentleman is talking about domestic violence refuges, but this Government committed £40 million in the autumn statement for services for victims of domestic abuse, which is a tripling of funding compared with the previous four years. Does he not welcome that?

Grahame M. Morris: I welcome the Government's commitment to providing that specific support, but the problem is that the hostels, establishments and places of safety are disappearing. Places of safety are needed, mostly for women, but also for some men who have suffered violence and threats of death. It would be a terrible indictment of the Government if they allowed such establishments to be closed.

Jess Phillips (Birmingham, Yardley) (Lab): On the £40 million, which has yet to be allocated, and the £10 million gift before the election, the bids for money to be allocated to Refuge were submitted with sustainability plans for the future based on housing benefit at its current rate. The Government signed off on every single one of those plans, but then, dishonestly, went back on them.

Grahame M. Morris: I am grateful for that instructive intervention.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I am extremely grateful to the hon. Gentleman for bringing up the important issue of domestic abuse services. I am sure that he will agree with the concerns expressed to me by De Gwynedd Domestic Abuse Service and many other agencies that arrangements for abuse sufferers under the age of 35 when they are moving out of refuges may well put victims at risk.

Grahame M. Morris: I completely agree. This is a very real concern that affects the constituencies of Members on both sides of the House. I shudder to think what the consequences will be if these facilities are allowed to close. It would be simple for the Secretary of State to announce from the Dispatch Box that he will do a U-turn on supported housing. The whole House and the country would breathe a sigh of relief if he did that.

Homeless people are another defenceless and vulnerable group who can and do benefit from supported housing. Supported housing for homeless people with complex and multiple needs, such as mental health problems, can help them to make the transition from life on the streets into a settled home. It can help them with education, training, life skills and normal socialisation. It also helps homeless people in desperate circumstances to stabilise their lives, and it can assist them into employment and a stable future. In short, it brings dignity back into homeless people's lives and enables them to participate fully in society once again. It can also provide huge savings for our criminal justice system.

There has already been a steep rise in rough sleeping since the coalition Government came to power in 2010. That has been caused by a number of factors, not least the combined impact of rising rents, cuts to housing benefit allowances, which have affected younger people in particular, and reductions in services that local authorities can offer to vulnerable people on the brink of homelessness. Unless the Government have a rethink about the housing benefit system, there will be a further rise in homelessness. The inherent cost to the Treasury and society must not be pushed to one side. Are Ministers seriously suggesting that, in the sixth richest economy in the world, this country cannot provide that vital assistance to homeless people?

I have heard Ministers waxing lyrical about the importance of mental health provision, and I absolutely agree with them. It should be a priority and they have said that it must be a higher priority. People with significant mental health needs often have to utilise supported housing—the hon. Member for Waveney made this point in an Adjournment debate last week—to stabilise their lives and live more independently. If the Government's rhetoric about prioritising mental health means anything, Ministers must not proceed with the plans to slash housing benefit for supported housing.

People with learning disabilities also need supported housing. I declare an interest, because I have an association with Mencap and Golden Lane Housing. In fact, I met the previous Minister, the hon. Member for North Swindon (Justin Tomlinson), who is in his place, to discuss some specific points. If Ministers are really serious about helping people with learning disabilities and learning difficulties to maximise their independence and to exercise choice and control over their lives, they cannot possibly countenance these cuts.

Justin Tomlinson (North Swindon) (Con): I remember that meeting, which made it clear why this review cannot be rushed. Many unique challenges have to be supported through supported housing, and it is right and proper that the Government do not rush this. Crucially, support in the short term remains in place. That view has been echoed by Denise Hatton, the chief executive of the YMCA, who has said:

“It is positive that the Government has listened to the concerns of the sector and we welcome the fact it has taken appropriate action to protect supported housing.”

We cannot rush this, because that is how mistakes will happen.

Grahame M. Morris: I thank the hon. Gentleman for his intervention and for the courteous way in which he met the delegation from Mencap. As a basic principle, however, surely we should compile the evidence and assess it before making a decision, but the Government have made an announcement, and that has introduced uncertainty. That is why schemes have been cancelled and why housing providers are giving notice of their intention to close facilities. A basic principle needs to be applied. The amount of time that the review has taken—I think it is of the order of 19 months or so—is another issue. Does it really have to take that long to have an impact study on which the Government can base their policy?

I will make progress because a lot of right hon. and hon. Members want to take part and I do not want to stifle their contributions. In my opening remarks, I said that these cuts make no financial sense. I remind Ministers that the Government's own Home and Communities Agency has found that supported housing provision has a net positive financial benefit of about £640 million for the UK taxpayer every year. Rather than cutting provision for supported housing, the Government should now expand and improve it. The National Housing Federation has calculated that there is a current shortfall of 15,640 supported housing placements, so there is already considerable pressure on the sector. I have mentioned some of the reasons for that. Local authorities, housing associations, charities and other providers in this sector really want to deliver the supported housing that the people of this country need, but delivering this ambition is virtually impossible because the Government have made the operating environment so uncertain.

Incredibly, in last year's autumn statement, the then Chancellor introduced the cap on housing benefit to local housing allowance levels without the Government actually knowing what its impact would be. My right hon. Friend the Member for Wentworth and Dearne highlighted this point when he spoke at this Dispatch Box in January. Before the debate, he had asked Ministers for evidence about the impact of the decision. Specifically, if memory serves, he asked the Minister—

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): Not me.

Grahame M. Morris: Perhaps I am mistaken and it was one of the Minister's colleagues.

My right hon. Friend asked how many elderly people, how many women fleeing from domestic violence, how many people with mental health problems and how many young people leaving care would be affected, but, incredibly, the then Minister for Housing and Planning was not able to provide an answer. If the Government do not know how many people in supported housing are in receipt of housing benefit, how can we expect them to make a decision? It is absolutely vital to have such information to hand to make an informed decision.

Ministers did not know what a profound impact their decision would have on providers and on the people who depend on these services, and it seems that they still do not know, unless they are just not answering questions on this.

To be fair, Ministers did commission an evidence review, but that was back in January 2015. Even though the review had not reported on its findings at the time of the last autumn statement, the then Chancellor still ploughed on regardless. Six months ago, my right hon. Friend was assured that the review would be ready later this year. The Under-Secretary of State for Communities and Local Government, the hon. Member for Nuneaton (Mr Jones), teased us in the Adjournment debate last week by suggesting that the review would be published imminently.

Did Ministers know what the impact would be when the Chancellor included this decision in his autumn statement? They did not know what the impact of their decision would be—that is for sure—when the issue was debated in this House six months ago. That raises the question: what is happening, and when will we know?

When it comes to making policy, Ministers are old hands at making policy in an evidence-free zone. The use of evidence to develop policy seems to be an alien concept to the Government, but I would have thought it was in the natural order of things. This is something of a travesty. Although the Government's evidence review seems to have ground to a halt, Ministers cannot claim to be completely ignorant. After all, the providers of supported housing have made their feelings known. I am sure that Ministers—even those in the new ministerial team—have met housing associations, charities and providers. We have met them regularly, and they have made their views absolutely plain.

I have mentioned the views of David Orr. He has said that housing

“providers across the country will be forced to close schemes.”

He has described the difference between supported housing and general needs social housing and explained why rents in supported housing are higher. He has pointed out that

“the uncertainty about the future approach is already leading to supported housing under development being delayed or cancelled because of the long lead times involved in investment and development.”

Julian Knight (Solihull) (Con): The hon. Gentleman is being most generous in giving way. He mentioned an “evidence-free zone”, but all I have noted so far from his speech are continual references to David Orr of the National Housing Federation. There are more voices in this industry than his. Is not the process the Government are going through about taking on those voices, and about gathering and discussing the information? There is not therefore an evidence-free zone.

Grahame M. Morris: I am grateful to the Minister—*[Interruption.]* I am sure it is just a matter of time. This is a terribly confusing time.

I am grateful to the hon. Gentleman. He is absolutely right that there is a plethora of housing providers. I have met and received evidence from Mencap, Golden Lane Housing, Rethink Mental Illness and Changing Lives, as well as various housing associations, such as

North Star and the Durham Aged Mineworkers Homes Association, and the National Housing Federation itself, all of which have raised concerns about supported housing in particular sectors. I have not listed those supporting members of the forces, but there is a similar thread and strand bringing this all together.

Stephen Pound (Ealing North) (Lab): Before my hon. Friend finishes his long list, which could possibly be even longer, may I remind him that the YMCA is desperately concerned about these proposals? We should place that concern on the record. I cannot believe anyone in this House wishes to destroy all the good work that the YMCA has undertaken.

Grahame M. Morris: I am grateful to my hon. Friend for pointing out what an important role the YMCA plays in providing supported accommodation for young people, particularly those leaving care and those in the younger age bracket.

It is important that we look at the evidence. I do not think that the sums add up. Ministers seem to be drawn to an evidence-free policy, but surely it should be obvious to them that a local discretionary scheme will not work. Ministers have previously said that discretionary schemes can assist in mitigation, but that does not alleviate the uncertainty. Providers of supported housing need certainty in the rental stream to fund the cost of managing these schemes and to service the loan charges incurred in developing them in the first place. Any reasonable person—let alone a Minister—will know that people cannot rely on a fluctuating income stream to service the cost of a loan. If Ministers persist with this ham-fisted plan—let me call it that—existing supported housing schemes will close, new supported housing schemes will be cancelled and some of the most vulnerable people will be left to fend for themselves.

The new Prime Minister once talked about the Conservative party as the “nasty party”. When she spoke on the steps of No. 10, she said she wanted “a country that works for everyone”.

The Government have an opportunity today to prove that the Prime Minister meant what she said just seven days ago, but if the newly appointed Ministers refuse to listen to reason and proceed with these callous cuts, they will be demonstrating that the Conservatives have not really changed and truly deserve their label as the “nasty party”. I commend the motion to the House.

1.58 pm

The Secretary of State for Work and Pensions (Damian Green): It is an unexpected pleasure to be back at this Dispatch Box. I thank the hon. Member for Easington (Grahame M. Morris) for his welcome to me and my new ministerial team. May I say at the outset that I absolutely understand the concerns he has expressed and that have been expressed by other Opposition Members in this and previous debates and, indeed, by Government Members as well? This is clearly a hugely important, sensitive and difficult issue, which is why I welcome this debate.

Before I move on to the principles on which I will take the decision, may I respond very directly to a couple of points made by the hon. Gentleman, who speaks for the Labour party on these issues? I agree with him that supported housing can and does relieve

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pressure on other public services. It performs a hugely important job. That is precisely why I am considering very carefully the costs and benefits of supported housing in the round as part of the review that the Government have been conducting.

The hon. Gentleman asked for two things in his speech. First, he asked me to change the policy now. Secondly, he asked us to take the evidence first and then make a decision. I can either take one piece of advice or the other, but I really cannot take both. I have decided to take his second piece of advice: I will look at the evidence first and then take a decision, because that is the rational way to make policy.

The hon. Gentleman mentioned various representations he has received, particularly from the National Housing Federation. I am happy to assure him that the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones), and Lord Freud met David Orr last week to discuss the precise details that we need to get right.

John Healey (Wentworth and Dearne) (Lab): I welcome the Secretary of State to his post. Is he aware from his briefings that the evidence review started in December 2014? When will it be concluded?

Damian Green: I will, as the right hon. Gentleman would expect as an experienced denizen of this Dispatch Box on this subject, come to that in the course of my speech. This is, as I have said, a complex matter and it is important to get it right.

Let me start by setting out the principles on which I will operate in this area.

Jeremy Quin (Horsham) (Con): It is a great pleasure to welcome my right hon. Friend to the Dispatch Box. He has mentioned David Orr and there are other organisations that have concerns and that take different views on this subject. The Government have been in very active dialogue. Will my right hon. Friend commit to maintaining that dialogue as he goes through the evidence behind this policy?

Damian Green: Absolutely, I will. I am coming up, in a minute, to the six-day anniversary of my occupation of this post, so I apologise if I have not taken all the representations in person yet, but my Ministers and I are certainly trying very hard to do so.

As everyone on both sides of the House knows, the supported housing sector provides important support to a diverse range of groups and individuals across the country. It supports those with learning difficulties, allowing them to live as independently as possible; it provides a safe refuge for those escaping domestic violence; it helps ex-offenders make a successful transition back into mainstream society; and it supports those who have experienced homelessness. The sector helps to transform lives and it allows people to live as independently as possible, to move into work where possible, which is hugely important, and to be safe, healthy and happy. It is a very important sector.

As constituency Members, we all have examples of that kind of support being provided. I have visited the Porchlight project in my constituency, which helps vulnerable and isolated people get support with housing,

mental health issues, education and employment. Vital work is done by this sector. From my previous experience in government, I have seen the value of the sector in the criminal justice system. A stable and supportive environment can be the key to reducing reoffending. For example, Stonham BASS provides accommodation for people who have been bailed by the courts or released on home detention curfew after they have served a prison sentence. The service reduces unnecessary imprisonment and the negative effects that it has on family life, employment and housing, and so helps to deter people from reoffending.

Julian Knight: I have discussed this matter with Solihull Carers, which has concerns. It understands that this is the first review of these things for 20 years. It also understands that the total bill for housing benefit in this country is some £25 billion, and that it is right that we take our time, explore all the options and try to come to the best resolution.

Damian Green: My hon. Friend is exactly right and the representations he has received are very wise. A huge sum of taxpayers' money is being spent and it is important to spend it in the right way, not just in the taxpayers' interest but so that it helps the particularly vulnerable groups that I have referred to as much as possible.

The Government have a strong track record in protecting supported housing. In the last Parliament, we found that many hostels and refuges were treated as "supported exempt accommodation" even though they did not fit the precise technical definition. We acted swiftly to introduce regulations to regularise the position and, vitally, to protect their income streams. We exempted supported housing from the benefit cap. We have continued to meet the housing costs for universal credit claimants through housing benefit. That is hugely important, because it means that providers do not have to adapt processes to accommodate the new arrangements while we work towards a more sustainable funding model that works for all parts of the sector.

I assure the House that I am prepared to listen carefully to the concerns of the supported housing sector regarding the application of local housing allowance rates. I will pray in aid as evidence of the flexibility with which I will approach this issue the written statement about welfare reform that is on the Order Paper today, which the hon. Member for Easington and others may have noticed. It deals with changes that I am making to and flexibilities that I am introducing into the universal credit regime. I hope people will take that as a sign that I am prepared to be as flexible as possible in making sure that these vital welfare policies actually work.

This issue is high on my list of priorities, so I am keen to ensure that the decisions I make do not unduly affect the sustainability of provision, the commissioning of new services or, particularly, the individuals who receive support. It is worth noting that the local housing allowance cap will not affect any benefit recipient until April 2018. My Department is working hard with colleagues at the Department for Communities and Local Government to resolve this issue. It is better to get this right than to rush to make a decision.

To answer the question from the right hon. Member for Wentworth and Dearne (John Healey) directly, I expect to make an announcement on the way forward in

the early autumn. We will spend the summer looking at the evidence and I will make an announcement in the early autumn.

John Healey: I am grateful for that confirmation, although we have seen other commitments and timescales come and go. We look forward to hearing from the Secretary of State and will hold him to that. May I correct something he said earlier? It will be from April 2017 that new tenancies will then be affected in April 2018, so these changes will come into effect before 2018 and affect people from April 2017 onwards. That is why it is important that he gets to grips with this problem urgently.

Damian Green: There is no disagreement between us. In cash terms, nobody will see their payments change until April 2018. That is what I was referring to. As I said, I expect to make an announcement in the early autumn. I hope that will provide the certainty that the sector is quite reasonably demanding.

Of course we understand that there are higher costs associated with providing supported housing than with providing general needs housing. I recognise the potential impact that this policy could have on the sector and its ability to support vulnerable people. I am also aware that this policy needs to be considered not on its own, but alongside other policies that affect the sector, including the 1% annual rent reduction for social sector tenants in England.

To return to the point about timing, in March, the Minister for Welfare Reform announced an exemption for this sector for one year. I hope that has provided some assurance for providers that nothing will happen precipitately while we complete the evidence review. That exemption, and a similar deferral of the 1% rent reduction, has been welcomed by the sector generally and, in particular, by the much-quoted National Housing Federation. When the deferral was announced, its chief executive said:

“We are pleased that the Government is listening to our concerns and has delayed the application of the LHA cap to people in...supported and sheltered housing.”

He also welcomed the fact

“that there will be a full strategic review into how these services are funded and we will contribute fully to that review.”

I am very grateful to the NHF for making that commitment. It is doing so and will continue to do so until we find a solution.

We require a solution that is flexible enough to meet the needs of service users and providers while remaining affordable for the taxpayer and delivering value for money. We have been working with and listening not just to providers of supported housing and umbrella bodies—the NHF and the Local Government Association—but to individual local authorities and other local commissioners, as well as to those who represent the vulnerable groups who live in supported housing. We have of course also consulted the Welsh and Scottish Governments about the implications for them. That extensive dialogue has been crucial in shaping our thinking on this important issue. I want to continue that exchange of information and ideas.

Kevin Hollinrake: I welcome my right hon. Friend to his post. As part of the solution he mentions, will he look at the perceived barrier preventing people who

benefit from this kind of accommodation from getting back into work? People I have met in these kinds of facilities locally feel that they cannot earn enough to be able to pay back the effective £250 a week cost of the accommodation.

Damian Green: My hon. Friend makes a profound point, not just about this specific issue but about, in essence, a huge amount of the work of my Department. Enabling people who are not in work to get back to work in some form is not only the best thing for the public purse but—absolutely and most importantly—almost always the best thing for them as well. For many of the people in the vulnerable groups we are talking about it will be especially valuable. Making sure that we come to a solution that contributes to that is absolutely vital.

Stephen Pound: I add my voice to the chorus of welcome to the right hon. Gentleman. He mentioned consultation with Cardiff and Edinburgh. Northern Ireland tends to get forgotten from time to time. Does this proposal have any relevance for Northern Ireland, and if so what consultation is taking place? I can speak slowly if he wishes to consult his colleague.

Damian Green: My understanding is that the matter is completely devolved to Northern Ireland, but if I have misled the House and so the hon. Gentleman I will write to him to correct myself. It is also conceivable that when the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes), winds up the debate she may be wiser and better informed than me on that issue. It has been known for junior Ministers at the end of debates to be much better informed than their Secretary of State was at the start—we have all been there.

As has been said, my Department has commissioned an evidence review to look at the shape, scale and cost of the sector. Reform of the funding model was already being considered as worth doing in its own right, on its own merits, long before the LHA cap policy was announced in the last autumn statement. The point has been well made by several hon. Members that this is the first full review of the provision for 20 years, so getting it right is quite important. As I have said, the review is in its final stages, and has already provided some valuable insights that I look forward to sharing with the House once the findings have been confirmed and tested.

The evidence review, discussions with the sector and the policy review undertaken by Government have all made it clear to me that, to fulfil our obligations to those people who rely on such accommodation and support, we must ensure four things. First, there must be appropriate funding to continue to support vulnerable people and sustain this vital sector. Secondly, the accommodation must deliver value for money for both the taxpayer and the individual being supported. Thirdly, those living in supported housing must receive high-quality outcomes and focused care and support. Fourthly, costs must be controlled. We cannot let the welfare bill get out of control. It is important that only those individuals who truly require the provision are able to access it, and that that provision matches genuine local need.

It is clear from the work undertaken so far that although the sector is delivering exemplary services and support in many places, the current system does not

[*Damian Green*]

deliver on all those objectives. There are genuine problems that need to be addressed. The reformed model that we will produce later this year needs to do more to ensure that value for money is sought by service commissioners and demonstrated by providers. Vitrally, I want more focus on the quality of provision and individual outcomes for those who obtain the provision. That is an important next step for the sector.

Jess Phillips: I wonder whether the right hon. Gentleman would like to rephrase what he has just said. In my experience, the voluntary sector has been producing outcomes data better than any Department for the past 10 years. If local government, or even national Government, were ever expected to get either the quantitative or qualitative data I used to have to get when I worked in refuge, you would fall apart immediately.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I would not fall apart, and nor would the Chair. I am quite sure the hon. Lady knew where she was really directing her remarks.

Damian Green: I am happy to be reassured on that; in no circumstances that I can envisage would you ever fall apart, Madam Deputy Speaker.

The hon. Lady actually made a profound point. The voluntary sector often provides services better than the state, at either local or national level. One central purpose of many of this Government's policies is to harness the energy, ability and innovation of the voluntary sector precisely to provide services that might otherwise be provided less well by the state. My point was that, on the evidence I have seen so far, although it is true that some provision is absolutely excellent, it is also true that some falls well short, so it is sensible for Government to try to establish whether the way in which the sector is supported contributes to that situation. We want to build on existing examples to ensure more consistency in quality and value for money across the country. Nothing in that would cause any division in the House.

I understand the urgency of this matter. I have committed to making an announcement early in the autumn setting out the Government's views on what the future funding solution should look like. That announcement will also set out plans for working with the sector and other key stakeholders to ensure a safe transition to the new model.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Does my right hon. Friend consider that he might also want to look at the cost of utility bills when it comes to supporting people who live in supported housing? That issue is part of the whole benefits story.

Damian Green: My hon. Friend makes a good point. That will certainly be fed into the review of the evidence that is now coming to an end. Between now and then I will continue to work with colleagues across Whitehall and with the sector to make sure we get right the detail underpinning the objectives I have just set out. Doing so will ensure reforms that are effective and proportionate. I believe that by working constructively with the sector we will come to a solution that is workable and deliverable,

and that, most importantly, provides the best support possible to some of the most vulnerable people in our society.

I welcome this debate. It is perfectly reasonable and sensible for the Opposition to have called it, and I am keen to hear views from across the House and from those in the sector who I know will have urged Members on both sides of the House to raise their concerns today. The sector is very diverse and its needs very broad, so the more input and thought that go into developing a solution, the better the outcomes will be for all. We need to get this right. I am determined to do so, and we will. I invite the House to reject the motion before it.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. It will be obvious to the House that a great many people wish to contribute to the debate and only limited time is available. After the spokesman for the Scottish National party has spoken, there will be a limit of five minutes on Back-Bench speeches.

2.19 pm

Alison Thewliss (Glasgow Central) (SNP): I welcome the Secretary of State to his place. The SNP will continue to give him a hard time as much as we can.

I am glad to respond to this debate on behalf of the SNP and supported housing providers and clients in Scotland, who are deeply worried about what the future holds. Supported housing projects provide a range of people with vital support, which saves the Government money in hospital beds, prisons, and resolving homelessness. As the hon. Member for Waveney (Peter Aldous) made clear in an Adjournment debate last Tuesday, a wide range of service provision is under threat due to continued uncertainty over this policy.

I am appalled that the people supported by this sector are being put at risk by the lackadaisical, "speak now, figure it out later" attitude that this Government take to social security. Supported housing covers a range of different housing types, including group homes, hostels, refuges, supported living complexes, and sheltered housing. Those schemes are designed to meet the needs of particular client groups, such as people with mental health issues, learning or physical disabilities, addiction issues, victims and women at risk of domestic violence, ex-service veterans, teenage parents, ex-offenders, or older people.

On Monday 13 June, the Communities and Local Government Committee heard evidence from Peter Searle, director of working age benefits from the Department for Work and Pensions, who told the Committee categorically that

"the intention is to publish the evidence review and policy conclusions before the summer recess."

More than a month has now passed, but we are no clearer on that. The Secretary of State says that it will happen in the autumn, but I remind him that the Government's autumn statement last year ended up appearing in November, so I would like more clarity on when those conclusions will be published. I appreciate that the work is complex, but the Government have had a long time to figure it out. I am certain that many

housing providers in the sector will have told the Government in a matter of days what they require, and the review has already taken far too long. I hope that the Government will not sneak out a statement on the matter on Thursday when MPs will have limited time to digest it before the House rises for the recess, and I seek confirmation on that.

The Scottish Federation of Housing Associations told me that the

“proposals for the capping of housing benefit for social housing including supported housing to local Housing Allowance (LHA) maxima will, as they stand, have a catastrophic effect on provision”.

The SFHA is not mincing its words, and it warns that should the cap proceed, most provision of supported housing will be shut down or reduced in scope, future development will be cancelled or mothballed, and—most worryingly of all—tenants of supported housing and their families and carers will find it difficult to plan for the future. If those services go, there are very few options for people who depend on the support they offer.

In Scotland we are limited as to what we can do about the LHA cap. We have already spent in the region of £100 million mitigating the bedroom tax, until we are able to abolish it. The welfare powers that the Scottish Parliament is receiving do not extend to changing the rules on local housing allowance. As one would expect, the Scottish Government have also condemned that delay and uncertainty, with the then Cabinet Secretary for Social Justice, Communities and Pensioners Rights, Alex Neil MSP, calling back in February for an end to the “unacceptable state of uncertainty”. That was five months ago, yet today we are no further forward.

Let me provide some illustrations of the types of services currently at risk. The Blue Triangle project in Glasgow city centre provides supported accommodation for young people who are at risk of homelessness. The young people I met just before Christmas told me that they hugely valued the support and advice that they were given by staff on that project. One young man told me that his family situation had deteriorated, and he had found himself on the street. He fell in with a crowd who he thought were his friends, but he woke up in the street having been assaulted and robbed. He felt incredibly vulnerable, and had it not been for the service provided by Blue Triangle, he feared that he would not have survived that experience. Such a service does not come cheap, and the young people that it deals with need to be built up—they need help, and tailored support to develop their skills and get their lives back on track. The flats are based in the city centre, which is important in making the service easy to access, but that accommodation costs Blue Triangle significantly more in rent. The building must also be kept safe and secure. Flats need to be refurbished regularly due to the turnover of tenants, and the quality of those flats is important to give tenants a sense of dignity and self-worth. All that is put at risk by continued uncertainty.

The current LHA shared accommodation rate in Glasgow for those under 35 is £68.28, but rent for Blue Triangle’s accommodation is £341.44 per week—a £273.16 shortfall. For the service over a year, that results in a gap of £355,108. For young people who have nowhere else to go, that service is vital. The limit that the

Government want to put on housing benefit for young people would leave them unable to afford accommodation of their own.

The ARCH resettlement service in Bridgeton is a vital service in my constituency. It provides support to men coming out of prison, and those who are homeless or in a range of other circumstances. When I visited recently, I met Donald, who had been affected by a stroke and needed help and support to get back to health. He has lived at the ARCH for around 10 months, and he was excited about taking on a supported tenancy in a nearby scatter flat that is owned by the ARCH Move On service. That seamless service allows people to move on when they feel able and ready to continue with some support. I do not know where Donald would have gone if not for the ARCH, but his pride in what he had overcome, with the help of the staff, and in what he had achieved through the help and support of that service, shone from his face. Donald and others like him need to know what the future holds for that kind of supported accommodation. Importantly, Donald was allowed to stay in that accommodation until he felt ready to move on. If we move people on before they are ready, in order to meet some kind of tick-box target, most people will fail and end up back in some other system, which costs us all more money.

Women fleeing domestic violence need to know that life-saving refuge services provided by women’s aid organisations across the UK will continue—I hope that the hon. Member for Birmingham, Yardley (Jess Phillips) will speak about that later from her expertise. Those services do not often shout about what they do, as understandably a lot of secrecy and privacy is needed to protect the women and children they support. However, if such services did not exist, women and children would be in situations of grave danger.

In a letter to Lord Freud, Minister of State for Welfare Reform, Dr Marsha Scott of Scottish Women’s Aid indicated that the limit on housing benefit will have a “devastating impact”. That organisation has provided some examples of the impact that the LHA cap will have, and stated:

“In one rural area, introducing a cap linked to the LHA rate would result in an annual loss of £5,800 for a 2 bedroom refuge flat. In another urban area the annual loss for a 1 bedroom refuge flat is £7,100. In another semi-urban area the loss on a 3 bedroom refuge is £11,600 per year. In each case this financial cost will be multiplied by the number of refuge spaces provided.”

It is clear that such losses will make the service unsustainable, and they will close.

The letter from Scottish Women’s Aid to Lord Freud also mentioned the shared accommodation rate for those under 35:

“The proposed introduction of the under 35s shared accommodation rate to social rented housing also places women under the age of 35 at much greater risk of further abuse. If women under the age of 35 are unable to access refuge accommodation or move into their own tenancy because of a restriction on their entitlement to housing benefit, this effectively prevents them from leaving an abusive partner. In 2014-15, the 26-30 years old age group had the highest incident rate of domestic abuse recorded by the Police in Scotland. Women in this age group clearly have a significant need for domestic abuse support services—including refuge accommodation.”

It seems clear that the Government have little understanding of the impact of their policies on women, and particularly on women suffering from domestic

[Alison Thewliss]

violence and coercive control. Those policies are in addition to the two-child policy and the rape clause in tax credits, and the single household payment in universal credit. Such measures limit women's options and put them at risk. The statement that the Secretary of State referred to gives me no reassurance that those aspects regarding the vulnerability of women in the welfare system have been addressed, and I seek further clarity and detail from Ministers on that.

In Scotland, refuges are sublet to women's aid organisations from local authorities and housing associations, and funded by local and national Government. They are a crucial part of Scotland's leading "Equally Safe" strategy to protect women and girls. The UK Government are undermining that significant work. We now have a female Prime Minister who claims to be a feminist. She needs to take note, as does her utterly gormless and heartless Welfare Reform Minister, who is unaccountable to this House.

Justin Tomlinson: I know that the hon. Lady does a huge amount of important work in this area, but the Government have trebled the funding for women's refuges. The discretionary housing payment now stands at £870 million in this Parliament, and it is delivered with flexibility—working with the police, social services and medical professionals to provide the best support for the people being highlighted.

Alison Thewliss: The Government giveth with one hand and taketh away with the other. That is not good enough. It has also been made absolutely clear by women's organisations, and a range of other organisations in the sector, that the discretionary housing payments are not enough to guarantee the certainty and future of these services. They are discretionary. That means that they are not part of the funding package; they are at the discretion of those providing that payment. That is not good enough. There needs to be greater certainty.

The Government need to make sure that the infrastructure to protect women and children is not dismantled under this supposedly feminist new Prime Minister. On her watch, these services must be guaranteed with a sound and solid future, because women's lives depend on it.

I am still not reassured by the language of the Minister, the Under-Secretary of State for Communities and Local Government, the hon. Member for Nuneaton (Mr Jones) at the Dispatch Box last Tuesday night. He said:

"we must also ensure that funding for supported housing is efficient, workable, transparent and sustainable, so that it delivers a secure, quality service that provides for those who need it and makes the best use of the money available"

and that

"Services must be outcomes-focused, accountable, planned and responsive to individual and local needs."—[*Official Report*, 12 July 2016; Vol. 613, c. 272.]

That suggests to me an element of a box-ticking exercise for these services. I caution that there are very varied support needs among those accessing supported accommodation. That must be reflected whatever the outcome of the review. A woman with children fleeing from a life of abuse and coercive control does not have

the same needs as an elderly man moving into sheltered accommodation or a young person recovering from a stroke. We must be mindful of the needs of each person. When we talk about outcomes, it cannot just be that they move on after six months. As I mentioned earlier with the case of Donald, we are dealing with people who have very complex needs. They must be allowed to stay in that accommodation until such time as they are able to move on. If they are unable to move on and we push them out of that accommodation before time, they will end up on the streets or in prison. They will be very, very vulnerable.

I urge the Government to take the widest possible interpretation of value for money as regards these services. I am deeply concerned by the proposed changes. I have only scratched the surface of the impact of the LHA cap. I am sure that other speakers this afternoon will elaborate on that. Those who depend on accommodation for the elderly, services for those with learning or physical impairments, services for ex-service personnel, or any other type of supported accommodation and the support it provides, will be exceptionally vulnerable without them. Attending to their needs outwith specialist supported accommodation could mean hospital stays that cost about £530 per night or prison, which costs about £194,000 per year, not to mention the huge societal cost we all bear from the loss of those people's potential. They can live life with a great degree of independence when they receive the right support and this type of accommodation. We need to think long term and invest in these services, and invest in preventive spend. Supported accommodation can save lives and it can turn lives around. The Government must recognise that and ensure the future of supported accommodation.

2.33 pm

Peter Aldous (Waveney) (Con): I am grateful to you, Madam Deputy Speaker, for calling me to speak in this important debate, which follows on from the Adjournment debate I led last Tuesday. This debate provides an opportunity to re-emphasise, this time to the new team at the Department for Work and Pensions, the vital importance of putting the funding of supported housing on a sustainable long-term footing as soon as possible. It is absolutely essential that we do this, so as to not to let down a very vulnerable group of people, whether they are elderly, young, have a physical disability, have suffered domestic violence or face mental health challenges.

Credit is due to the Government for carrying out the first evidence-based review of the sector for 20 years and for consulting far and wide. I welcome the fact that they have accepted the need for a long-term sustainable solution and not just a short-term sticking plaster, and that they will work with and listen to stakeholders to develop a viable and sustainable funding regime. My intention is to be helpful and not hostile, but I have to say that the feedback I am receiving is that those involved in supported housing are very worried about the future. The whole sector is at present in limbo and there is a policy vacuum that must be filled.

The one-year exemption for supported housing, from the 1% rent reduction for social housing landlords and the one-year delay in applying local housing allowance caps to residents in supported housing, provides some breathing space, but the clock is ticking down to April 2017 when this one-year grace period expires. It is

important to have new policies in place well before then, so as to remove worries about the viability of existing schemes and to act as a catalyst for attracting much-needed new investment into the sector. In the past three months, I have received representations, had meetings and visited a wide variety of organisations, national and local. They are all very concerned about the sector's future. The depth and breadth of this worry emphasises the importance of putting in place a sustainable framework as soon as possible.

The prospect of the local housing allowance cap being applied to residents in supported housing after the one-year delay is causing considerable unease and concern. The cap undermines several pieces of legislation introduced in recent years including specified accommodation and the transforming care programme. In framing their proposals, it is absolutely vital that the Government have in mind the needs of those charities, housing associations and social investors, which are already active and doing great work in the sector, and those looking to get involved. There is an enormous amount of goodwill and capital waiting in the wings for a framework to be put in place, which will enable these social entrepreneurs to step up to the plate and carry out projects that will bring great benefits to many.

I shall be voting with the Government this afternoon, as I believe that it is fair to give the new team a chance to come up with a just and sustainable long-term strategy. I sense from what the Secretary of State has said that there is a real determination and desire to do that. There is a lot of work for them to do, but a lot of good ideas have been put forward, including by the National Housing Federation. It has made proposals, as has the Home Group. The latter has correctly identified the need for a new funding mechanism to be designed in such a way that it can be run by devolved Administrations.

I urge the Government to consider these proposals very, very carefully. I look forward to hearing from the Secretary of State when he returns to the Dispatch Box in the autumn with his recommendations for the Chamber to consider and debate. It is vital that we get this right. We owe it to a very vulnerable group of people.

2.37 pm

Mr Nicholas Brown (Newcastle upon Tyne East) (Lab): It is a pleasure to follow the hon. Member for Waveney (Peter Aldous). He came to my Westminster Hall debate on this subject way back in March when the Government report was imminent, and he held his own Adjournment debate on this topic, which I attended, on the Floor of the House last week. It is not for want of raising the issue that we remain where we are today.

I welcome my hon. Friend the Member for Easington (Grahame M. Morris) to his new responsibilities and thank him for the way in which he has set out the Labour party's case in what is Labour party debating time.

I welcome, too, the new Secretary of State to his new responsibilities. I think the worst thing I can say about him is that I actually do have confidence in him. I welcome the way he responded to the questions raised by my hon. Friend. In particular, I thank him for recognising firmly, from the Government Dispatch Box, the knock-on effects in this policy area. The introduction of the cap—I accept that the Government have postponed

it for a year to provide a pause for further reflection—would have a profound impact on the Ministry of Justice, which he knows well, the Home Office, the police service, the ambulance service and the national health service.

Just about every point that could be made in this debate has been made in the last few months, but this point, in particular, has profound consequences, given the interventions that flow when the police pick up somebody who is incapable of looking after themselves or who is lonely, bewildered and without a supported home. They might be picked up by the health service, but the health service can offer no long-term solution to what is really a social care problem.

It seems to me that the Secretary of State is at the head of a difficult demarcation dispute over who should pay for the care element implicit in social housing—housing benefit certainly covers the housing element but also covers a care element. I understand his point about public funds and ensuring value for the public purse—I have no quarrel with that; the Government should always have a care for the quality of public spend—but in all the debates I have attended, not a single Conservative, Scottish National or Labour Member has raised an example of professional tax eating or anything close to it.

The projects that we have visited deal with elderly people who need a care element; individuals who have drug and alcohol problems but are not managing on their difficult path towards rehabilitation; children and young people who have care needs and should not be abandoned to the outside world, red in tooth and claw; people with physical and, even more, mental disabilities who can get by in the world with a bit of care, help and direction; people with learning disabilities; people who are estranged and having difficulty resettling into modern life; and homeless people who need assistance taking up and finding their way through the education and training schemes funded by the Department as well as the employment opportunities it works so hard to get people into.

Members from across the House have also raised the plight of women fleeing violence, terrified and in need of accommodation where they feel physically safe. Sure, housing benefit can provide the housing element, but, in all humanity, there is a need for care and support and for somebody to say to someone fleeing violence, "We're on your side and we're here to help you." I hope that the Secretary of State will respond to that case over the next few months.

2.42 pm

Justin Tomlinson (North Swindon) (Con): I pay tribute to the fantastic new team who will be responding to this debate and to the shadow Minister, whom I met in a former role and who demonstrated a real concern in this area. He was proactive in putting forward a powerful case, and one that I hope the Government will continue to listen to.

I welcome the tone of the new Secretary of State's response. This is an incredibly complex area. We are talking about some of the most vulnerable people in society, and instinctively we want certainty. Clearly, that is a very powerful argument. If we could provide certainty, there would be much rejoicing, but sometimes we can

[Justin Tomlinson]

be just too quick. This is such a complicated issue. I have visited many different organisations, charities and providers that do a wonderful job, but each and every one is unique in how it tackles the challenges around providing the right level of support and opportunities.

We cannot rush this; we have to get it right, because, otherwise, through unintended consequences, some of the most vulnerable people in society will pay the price of our rushing for the sake of an easy headline. I am encouraged that the team will do that and will engage with stakeholders, many of which have huge experience and very talented policy teams who come and helpfully spell out the best ways to proceed. By not rushing the decision, we can enable them genuinely to shape and influence what the Government do. It is not unreasonable for us to wait till the autumn for further details.

The Government have a proud record in this area. We currently spend about £50 billion supporting those with disabilities and long-term health conditions—an increase of £3 billion. Two hundred people a week are getting into work and coming off housing benefit. They are benefiting from the growing economy and rising wages. Our changes to housing benefit rules are saving approximately £2 billion, and let us not forget that more than 1 million social sector tenants will benefit from the 1% reduction in rents—they cannot be forgotten in this discussion.

People are typically spending seven months less in temporary housing accommodation. Our changes to the spare room subsidy have seen the waiting list go from 1.7 million to 1.2 million. I remember the anger in the Chamber during the urgent question that I faced and in many similar debates, but all too often families in inappropriate accommodation and on the housing waiting list are left looking enviously at people whose children have grown up and left home. It is right that we never forget them.

The increase in funding for the discretionary housing payment of £870 million over the Parliament will allow the flexibility to work with agencies such as the police, social services and medical professionals; and all that will be underlined by the public sector equality duty. We need also to recognise the importance of devolution and how in different towns and communities there are different challenges and opportunities. We have committed £400 million for the delivery of 8,000 specialist homes specifically for vulnerable and elderly people and those with disabilities. There has been a 79% increase in the disability facilities grant, meaning that the funding has gone from £220 million to £394 million, which will help an additional 40,000 people; and £500 million has been set aside to tackle homelessness during this Parliament.

The key is that we recognise in the review the further opportunities for joined-up working. We set the ball rolling with the joint work and health unit, using the brightest people in the DWP and the Department of Health and looking at what opportunities are available. I have seen those at first hand. I have visited Foxes Academy, a former hotel in Bridgwater, which, for the first two years, supports young adults with learning disabilities progressively to improve their independent living opportunities. It also works with local employers to create real, tangible job outcomes. In this country, if someone has a learning disability, they typically have a

6% chance of a meaningful career, yet through its supported housing and independent living and training provision, 80% of its students find a career. That should not be best practice or simply happening in isolation; it should be an absolute given. It is right, therefore, that we take the time to talk to the huge range of experts out there. In my own constituency, I saw Voyage Care, and in Cheltenham the Leonard Cheshire homes, where there is a focus on quality of life, providing entertainment and supporting people in any way possible to give them the things that we take for granted.

I finish with a plea. The welcome introduction of the national living wage impacts on a huge number of staff providing this vital care. We need to make sure that the funding is in place so that we continue to get the best staff into these jobs.

Madam Deputy Speaker (Mrs Eleanor Laing): Before we continue with the debate, I have to announce the results of today's two deferred Divisions. In respect of the motion relating to atomic energy and radioactive substances, the Ayes were 312 and the Noes were 56, so the Question was agreed to. In respect of the motion relating to climate change, the Ayes were 310 and the Noes were 206, so the Question was agreed to.

[The Division lists are published at the end of today's debates.]

2.48 pm

Pat Glass (North West Durham) (Lab): I will keep my remarks to a minimum, because I did not intend to speak in the debate. It was only when I looked at the list of people potentially impacted by these decisions that I felt I had to come along and speak. I came into this place, like many others on both sides of the House, to protect the most vulnerable in our society. It is a key role of Government to ensure that, as we move forward together, nobody gets left behind. That is why it is so important that we address the issue of supported housing and the people who live in it.

I accept entirely that there needs to be a review, but this has gone on too long. It is 19 months now. We keep getting told that the Government will make a decision—in the spring, in the autumn—and in the meantime future provision is not being built, because of the uncertainty, while that uncertainty also makes existing provision a little less sustainable. We need to think about the people who are going to be affected—often older people. I have had a look at how some of these provisions work in my constituency. My father was very ill; unfortunately, he died and we did not need the provision. When I looked at it, though, it was really good provision, enabling people to close their own doors in their flats when they needed to—as do we all on occasions—but they and their families knew that they were safe and they were not lonely. That is really important to older people.

This sort of housing includes homelessness hostels. Quite honestly, there are enough people sleeping on our streets, so surely we would never want to make it even harder for people to get access to those hostels. Specialist provision for people with mental illnesses and learning difficulties is also relevant, and I have seen some examples in my own constituency. For example, I encountered a young man of 40 who was quadriplegic and had cerebral palsy. He had to go into respite because his father had

been diagnosed with incurable cancer. He took the decision to remain there. He told me that he loved his mum and dad, but that this was the first time in his life that he had been the adult and not the child. I saw what a difference this made to that young man's friendships, to his family and to his perspective on life.

Supported accommodation is provided for former members of the armed forces—people who have served this country and given everything for our security. I cannot believe that we are even contemplating making it that much harder for them to access the specialist housing support that some of them need. Even the thought of such a proposal shames me, and I think it would shame this entire House if we were to proceed down that route.

There is also specialist accommodation and refuges for victims of domestic violence. I worked in a London local authority as head of education, and we established a crisis team to help primary schools and primary children in crisis. We met every week and had at least 10 child cases every week. In 100% of those cases over two years, domestic violence was a feature. I think it is shameful; it is the hidden scourge of this country. We should talk about it more. The very idea of making it a little harder for those sorts of people to have a bit of security and a place of safety pays no credit to any of us. All those people have one thing in common: life happened to them; they did not do this themselves. We are all going to get older; we have all got older parents; we are all going to need this sort of thing in the future.

A number of principles have emerged from today's debate. Clearly, it is going to be a huge expense if these provisions become unsustainable. It is going to cost the health service; it will cost the legal service; it will cost our prison service. It will be picked up by the public purse. It will cost a hell of a lot more, but it will be nowhere near as good as the provision we have now. We all recognise that Ministers need to look at the position quickly and make a decision. These provisions need to be sustained; they should be there for the people who need them. Frankly, these are the most vulnerable people in our society, whom all of us came to this place to support. Let us not be part of the problem for these people; let us be part of the solution.

2.53 pm

Maria Caulfield (Lewes) (Con): I am grateful for the opportunity to speak in this important debate, and it is a pleasure to follow the hon. Member for North West Durham (Pat Glass).

Let me start by saying how disappointed I am by the wording of the Opposition motion. Supported housing is such an important issue that prejudging the outcome of the review, with words that are inaccurate at best and aimed at scaring vulnerable people at worst, is just plain wrong. It is wrong to say

“that the Government intends to cut housing benefit for vulnerable people in specialist housing”,

when what is happening in reality is that a review of supported housing is taking place, and that while that review is taking place, supported housing is exempt from housing benefit changes and exempt from rent reduction changes that are coming in for general needs housing.

Opposition Members do not have a monopoly of being supporters of supported housing. I have seen at first hand the difference that such housing can make to people's lives. As a board member of BHT Sussex, I saw teams on the ground that were supporting people who were going through rehab for alcohol and drug addiction. The supported housing they were provided with not only turned their lives around, but gave them their independence and gave their families their lives back too. Having that supported housing with the input of specialist staff helping to get them clean makes such a difference. It is indeed life changing.

I have seen from my time as a local council cabinet member for housing how sheltered housing with specialist help allowed older people to live independent, healthier lives, which is a view shared by the much proclaimed National Housing Federation as well as the Homes and Communities Agency. In fact, the HCA found that supported housing provision has a net positive benefit of £640 million for UK taxpayers because it reduces hospital admissions, speeds up discharges and improves health outcomes.

Supported housing can transform the lives of young people, too. In my constituency, the Newhaven Foyer is there for young people who have probably had the worst start in life that could be imagined. These are young people whose families have either put them in care or are no longer around to support them. They live in very challenging times, and many have been excluded from school. Being in supported housing means that they not only have a roof over their heads, but that for the first time many of them feel that they have some stability. They have someone there who will make sure that they get up in the morning and go to college or to work, someone who will teach them how to cook and how to maintain a tenancy, and someone who helps them to budget so that when they leave the foyer, they can start an independent life.

I attended one of the Saturday coffee mornings at the Newhaven Foyer and met a young person who told me that if it were not for the foyer, she would actively go out and commit crime to get into prison so that she could have a roof over her head and a hot meal every day. That is the difference that supported housing can make; it transforms lives.

I welcome this review, but the fear—real or unreal—of potential housing allowance caps being applied to residents in supported housing or of the application of the 1% rent reduction is causing unease in the sector. If these were to happen, it would create doubt in the sector about building new provision. As a country, we cannot afford not to provide the extra support that goes with keeping an elderly person living in sheltered housing or a young care leaver or a person going through rehab as a recovering alcoholic or ex-drug addict.

I am optimistic that we will find a solution. I believe that the reply to the Adjournment debate secured by my hon. Friend the Member for Waveney (Peter Aldous) by the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones), was excellent. He said he saw

“a very positive future where high quality supported housing is there to provide the right support at the right time”.—[*Official Report*, 12 July 2016; Vol. 613, c. 272WH.]

[*Maria Caulfield*]

I urge Ministers to ensure not only that funding is secured for supported housing, but that we reach a timely conclusion when the results of the review are revealed.

This has been a wasted opportunity. If this debate had been about supported housing and the available options to be fed into the review, I might have been able to support the motion. It has, however, provided an opportunity for scaremongering, so I shall vote against it.

2.57 pm

Lilian Greenwood (Nottingham South) (Lab): I am pleased to speak in this debate, and pleased that this has been selected as a topic by the Opposition Front-Bench team.

The planned local housing allowance cap is a real concern for many of my constituents, and I have been contacted by Nottingham City Homes, by Nottingham Community Housing Association and by Framework on behalf of their tenants. Supported housing provides essential accommodation for people who need it. It is already more cost-effective than the alternatives of nursing homes, care homes or hospital beds, and it is far better than people trying to live independently without the support that makes it possible.

The Government's plans will force the closure of tens of thousands of supported homes for vulnerable and older people. In Nottingham, there are 3,491 supported living bed spaces, with 2,393 spaces for older people. Nick Murphy, chief executive of Nottingham City Homes, told me:

"We are worried about some of our older residents whose combined rent and service charges takes them above the Local Housing Allowance threshold. The limits take no account whatsoever of the cost of housing management services that we provide to keep our tenants living independently."

City Homes has estimated that tenants will be capped in 20% of its supported living schemes, totalling 380 properties. The weekly shortfalls in housing benefit will be between £5 and £21, and 102 of the tenants in those schemes to be capped are over 80 years old.

The Government tell us that the driver behind much of the so-called welfare reform programme is to get people into work, but these are not people who can easily go out and get a job. Providers tell me that poverty or rent arrears are more likely outcomes, and that for some there is a risk that they will move into more expensive care homes, which will actually place a greater burden on already overstretched public sector budgets. Sheltered housing for older people is not just good value for money; it allows people to live independently and with dignity. Demographic projections point in only one direction, but the uncertainty surrounding the future funding of such accommodation is now preventing much needed new developments from going ahead.

In May, I went to see the work that Nottingham Community housing association does for some of my most vulnerable constituents. Stephanie Lodge offers accommodation to adults who need a short period of intensive support after a stay in a psychiatric ward. It is a unique and innovative service. Not only does it enable people to rebuild their lives in the community, but it is

financially sustainable. Residents pay a weekly rent of £185; support costs vary, but the average is £396 per person per week. Rethink Mental Illness estimates that it costs £350 per day to support someone in a psychiatric in-patient bed. Stephanie Lodge is not only cost-effective, but gives vulnerable people an opportunity to live in the community with the right support, in some cases for the first time in their lives.

Framework housing association has also contacted me expressing concern about the Government's proposals. It is dedicated to helping homeless people, preventing homelessness, and promoting opportunities for vulnerable and excluded people. Andrew Redfern, its chief executive, told me:

"In a nutshell, it means that most—if not all—of existing supported housing will cease to be viable from April 2018."

At a time when single homelessness and rough sleeping are rising fast, that is very serious. We must contemplate a situation in which thousands of people at risk of homelessness, some of whom have multiple and complex needs, will simply have nowhere to go. There will also be a negative impact on rates of hospital discharge and prison resettlement, on care leavers, on survivors of domestic abuse, and on the transforming care programme. Framework is especially concerned about the fact that we have already lost services following the demise of the Supporting People programme, but that is nothing to what will happen in April 2018 if these proposals go ahead.

Of the 1,200 supported housing units currently provided by Framework for people with mental health, alcohol and substance-related problems in Nottinghamshire, Lincolnshire and Derbyshire, fewer than 150 will remain, and that will have an impact on people with real needs. I heard from a service user who said that she had been in genuine crisis and had even nearly lost her life, but that, thanks to Framework, she had managed to turn her life around.

I ask the Minister to listen. If she would like to join me in visiting any of the excellent services in my constituency, I should be delighted to take her to see the invaluable work that they do. The Government must rethink their proposals, rather than seeking to target those who are least able to bear the burden.

3.2 pm

Maggie Throup (Erewash) (Con): As my hon. Friend the Member for Lewes (*Maria Caulfield*) has already pointed out, we should not be having a debate on this subject today. It is only right and proper for the review that the debate is all about to be allowed to run its course and to be conducted properly, even if that takes some time. I know that Opposition Members do not like the concept, but in my opinion it is the best approach for long-term stability in the sector.

Jess Phillips: Will the hon. Lady give way?

Maggie Throup: I want to make some progress.

Too often, we view one cost in isolation, and we often view one policy in isolation as well. Two Departments are working together on this policy, which I think is definitely the right approach, but we need to do even more of that joined-up policy making. Yesterday, NHS England published its implementation plan for the mental

health five year forward view. The costs of mental ill health—to the individuals concerned, their families or carers, the NHS, and society more widely—are huge. It is not uncommon for mental health problems to result in homelessness, and a subsequent need for supported housing to put people back on track.

A great example of supported housing working well is the Canaan Trust, based in my constituency. It is a Christian charity which provides safe, secure and healthy supported accommodation for homeless males aged between 16 and 54, often giving them the fresh start in life that they never expected to have. It provides 24/7 support, with staff permanently on site. I have seen for myself how person-centred its support is, with a tailored approach for each individual. The team at the Canaan Trust makes everyone feel special, and that is probably a feeling that they have not experienced for a very long time.

Yesterday I chatted to the key man at the Canaan Trust, Kevin Curtis. His enthusiasm is infectious. Indeed, he managed to persuade quite a few of us—including me and the leader of the council—to sleep out in February and March to raise money for the charity, and I can tell the House that at two o'clock in the morning the pavements in Long Eaton get really hard and cold!

Kevin told me what happens when supported housing is not available. It is a revolving door. Vulnerable people, many of whom have addiction problems, are housed in sub-standard accommodation in communities where the temptation of drink and drugs is around every corner. Inevitably, eight out of 10 find themselves back on the streets within three to six months—and all because there is no one there to watch their backs, and to provide the extra guidance and support that makes all the difference. We fail as a society if we do not stop those people falling through the net, and I urge the new Minister to make that one of her top priorities.

Chris Leslie (Nottingham East) (Lab/Co-op): The hon. Lady's constituency is near mine: we are both in the Nottinghamshire-Derbyshire area. As she knows, providers such as Framework, which does fantastic work on supported housing, have made real efforts to provide help for the most vulnerable. Should this not be a cross-party issue? Should not those in all corners of the House press the Government to change their position and do the right thing?

Maggie Throup: I entirely agree. That is why the review is so important. We need to reach out to organisations to find out what is needed and will be sustainable for the future.

The extra support that is provided by such organisations, including charities like the Canaan Trust, means that for their clients the outcome is a very different story from the revolving door that sends eight out of 10 back on to the streets. Just 2% of their clients go through that revolving door, which is a huge reduction. That, along with other evidence of good outcomes, shows just how important it is for supported housing to be available to the most vulnerable people. It should also be borne in mind that this is not just about the costs associated with the type of provision found at the Canaan Trust; it is also about the savings made for the NHS, the police and other support agencies.

Let me end by reminding Opposition Members that, as my hon. Friend the Member for Mid Derbyshire (Pauline Latham) mentioned earlier, it was this Conservative Government who, in the 2015 autumn statement, committed £40 million to services for victims of domestic abuse, three times as much as had been provided in the previous four years. I am proud of that.

Rosie Cooper (West Lancashire) (Lab): At the beginning of her speech, the hon. Lady said that the review should run its course. People running domestic violence refuges in my constituency are desperately worried that those refuges will not be there by the time the review has run its course. What advice would the hon. Lady give them, and the desperate women and children who need their help?

Maggie Throup: I think it is important that the Government have already put more money into support for domestic abuse victims.

Julian Knight: Should it not also be recognised that we will reach a decision in the early autumn?

Maggie Throup: I completely agree. As I said earlier, we need to come up with the right decisions and produce sustainable outcomes. There is no point in a review that does not get to the bottom of the issue.

I am also proud that this Government have actively helped people with disabilities—and those are the people we are talking about: people with disabilities, and people who are particularly vulnerable—to play their part in our communities. In the last two years alone, 365,000 disabled people have moved into employment, and I am definitely proud of that.

3.9 pm

Jess Phillips (Birmingham, Yardley) (Lab): Thank you for calling me, Mr Deputy Speaker. You never fall apart, in any circumstances.

I welcome all interventions from Members who know more about this issue than I do. My feelings about it are no secret. The Minister has stood on many platforms with me, and it is a delight to see her on the Front Bench. I will talk mainly about refuge accommodation for victims of domestic and sexual violence. However, I am also talking about all sorts of supported accommodation.

I have spoken in every debate on this issue, and I have asked the Prime Minister, every single time I have had an opportunity, to do something about it. So far I am still waiting. However, that Prime Minister is yesterday's man, and now I look to the words of today's woman, and I am pleased to say that I do not have to look very far to find affirmation that the new Prime Minister in fact agrees with me. In the "Violence against Women and Girls Strategy 2016-2020" published by her Home Office, she stated that we must

"ensure all victims get the right support at the right time".

Let me be clear today: unless the Government exempt refuges from local housing allowance caps to housing benefit, victims of domestic violence, rape and abuse will have no chance of getting what the Prime Minister describes as the

"right support at the right time".

[Jess Phillips]

In the same strategy document, the right hon. Lady heralds the money that everybody keeps going on about—I have heard many Members singing its praises today—but it is a tiny fraction of the picture. Government money allocated for refuge funding is always short-term. Despite all the talk of sustainability, it is never there; it never has been there and it is never built in. I know that because I have helped to write all the bids for all the money that everybody in the Chamber is talking about, and in every single bid for refuge services in this country, the sustainability plan was based on housing benefit. Many refuges rely entirely on housing benefit.

Oliver Colvile: Is the hon. Lady aware that Devon and Cornwall police has been doing an enormous amount of work on refuges and abuse through an initiative called Operation Encompass? If she is not aware of it, would she like to come down to Plymouth? I would love to help her to make that visit.

Jess Phillips: As we enter the summer recess, I would love a little trip to Cornwall. I hasten to add that police forces across the country are doing really quite good work, as are police and crime commissioners, but I am afraid to say that I have never seen an example of their funding supported accommodation.

It would be dishonest now for Ministers to undermine their own work—Ministers of this Government signed it off when they allocated the money; they are all happy to stand up and sing its praises—because every single plan had housing benefit within it.

It is complicated and difficult for people to understand what running a refuge actually looks like. The grants the Government give are what we use to pay for staff. They are used to pay for family support workers, who enable a child to re-engage with a mother who has lost all control over her children because a perpetrator has taken it from her. 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 and bolts, the beds, the buildings, the places where people live, their homes and their security is housing benefit.

Andrew Gwynne: My hon. Friend is making a compelling case. May I take her back to the letter I received from New Charter housing that I referred to in an intervention on our Front-Bench spokesman? It says to me:

“It is probable that the result of this reduction will be either; additional cost to the public purse where there individuals take up, for example, valuable and costly hospital space; or these individuals find themselves living in totally inappropriate accommodation that does not support their needs and puts them at high risk.”

Is that not exactly the case we are making today?

Jess Phillips: I thank my hon. Friend for his intervention, and that is exactly the case. As has been outlined, the reduction will result in people being left in the accommodation of unscrupulous housing providers where we do not want people to end up, and I am sure every single Member knows about these providers.

Housing benefit currently pays for things such as CCTV, security support and all the extra stuff that we perhaps take for granted because we do not have it in our homes— but then we have not been repeatedly raped for the past six months of our life. That is what housing benefit pays for. I cannot say this with any more dramatic effect: half of the bed spaces in the refuges where I worked 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, 50 women are dead.

There are also very real concerns about the mooted housing benefit changes for those aged 18 to 21. Perhaps the Minister could update the House on that, and the bearing it will have on a place like Birmingham, where 25% of the women living in refuges last year came from this age group. Ministers will be shutting off the route to safety for these women if the changes in housing benefit come in, and I am at a loss as to what is going on—whether that is part of this review or was just something floated around.

If the DWP does not want to play its part and the Treasury values its bottom line so much, the Government must look at a different approach to funding refuges and other supported accommodation. This review is not about sustainability; it is about cutting costs.

The decimation of local authority Supporting People budgets has already led to the closure of more than 30 refuges in the UK. I am not just shouting or shroud-waving or scaremongering against cuts; I am willing to engage with Ministers across Government to talk about other sustainability models for refuges. I have just a few suggestions for today. We could ring-fence national budgets, and make providing accommodation for victims a local authority statutory duty. At the moment local authorities have that duty only for adult services, children’s services and bins. I think providing a safe place for children who have been raped to live is more important than the bins.

The model of commissioning that the Home Office has used for accommodating victims of modern slavery completely eliminates the need for housing benefit, and I have set up refuges for victims of trafficking with this model. No housing benefit changes hands. We could only do that because this Government—the Government in front of me—recognise the importance of a national funding framework.

I am happy to work with the Government on any of those solutions, but to pull the rug from underneath refuges, homeless hostels and older people’s care services without first putting in place a system that will work and is sustainable and offers a future for these victims is both stupid and cruel.

So let me go back to the words of the Prime Minister. She said that “awareness of” and “response to” violence against women and girls was “everyone’s business”. Will the Minister promise to make it hers?

3.16 pm

Mike Wood (Dudley South) (Con): There is a clear need to get the cost of housing benefits under control, but it is also vital that the needs of the most vulnerable are met. These costs have continued to rise, even at times when the number of people receiving housing benefits has reduced. Unless the spiralling cost can be

controlled, the system would soon become unviable, severely limiting our ability to support many of the people who need our help the most.

All parts of the housing market that receive public funding must bear a share of the need for greater efficiency, and supported housing is no different. However, we must also recognise that providing supported housing involves additional costs. Many of those additional costs might in the past have been covered through social services, rather than through housing benefits, but if changes to housing benefits are not implemented in the right way, many of the existing supported housing facilities would be seriously threatened.

I would like to thank the former Housing Minister, my hon. Friend the Member for Great Yarmouth (Brandon Lewis), for the positive and constructive way in which he responded to concerns raised by me and other Members. The Government's review of supported housing is a welcome opportunity to review this crucial issue, and I welcome this opportunity to give voice again to some of the issues that I hope the review will consider.

I would like to talk about one of my constituents, a Black Country Housing Group tenant who has had her life transformed thanks to first-class supported housing. DW was diagnosed with a learning disability and schizophrenia at the age of seven. She is also partially sighted due to cataracts in both eyes. At the age of 14 her mother died, but DW continued to live at home until her father also died. DW became a hoarder and was suffering from self-neglect; she was very isolated, did not socialise and became very aggressive. In March 2013, DW became very ill and was taken to hospital, where she stayed for one month. After a stay in a re-enablement centre, DW moved into Chapel Street, Black Country Housing Group's supported living service. Here, she was provided with excellent support, with personal care, social interaction and peer support from other residents, as well as from a team of skilled, experienced support workers.

Through a working knowledge of DW and of her anxieties and needs, the staff worked with health professionals to deliver a support plan and to ensure that she got appropriate ongoing treatment for her eyes. I am pleased to say that she is now much happier, her mental health has improved dramatically and she is able to get involved in her community. She maintains her home and her tenancy, she undertakes household duties in the home and she is no longer at risk of self-neglect or homelessness. As a result of supported housing, DW has become much more independent, aware and involved.

DW's case is just one of any number that I could have picked, but it clearly illustrates all the work and additional costs that come with providing that level of care, and that must be recognised through the social care and welfare systems. It does not really matter whether the higher costs intrinsic to effective supported housing continue to be funded from the housing budget or whether they are funded through social services. What matters is that those costs are very real and very necessary and that they must be met. I wholeheartedly support the review of supported housing and the commitment to a permanent funding solution for supported housing. We must continue to do what we can to reduce the spiralling costs of housing benefit bills, but we must make sure that the vital services provided to vulnerable people such as DW in my constituency can continue, and that means finding a way to pay for them.

3.21 pm

Kate Hollern (Blackburn) (Lab): I am pleased that there is consensus across the House on the importance of supported housing to people in all our communities. We must all show our appreciation of the hard work and dedication of the staff of the charities and housing associations involved. We need to give them the respect they deserve. They do a difficult job, dealing with people with many challenges, and they do it in a positive way.

There has been a cloud over supported housing for some time, with shrinking budgets and uncertainty in welfare policy. These problems have come to a head with the Government's proposed local housing allowance cap. Although the Government have already had the good sense to delay the implementation of that measure for supported housing, we know that housing associations have already had to factor the proposed changes into their budgets, and that they are now set to be introduced in April 2018. According to the respected National Housing Federation, this means that a staggering 41% of existing supported housing and sheltered accommodation places will be shut. Where will those people go?

I was recently invited to visit Bramwell House, a shelter for the homeless in Blackburn managed by the Salvation Army, a well respected organisation. It helps and supports homeless people by providing accommodation and floating support to those who need it most. The hon. Member for Thirsk and Malton (Kevin Hollinrake), who is no longer in his place, spoke earlier about scaremongering. I have to tell the House that the Salvation Army is not scaremongering; it is scared that it will no longer be able to provide the services that we know are desperately needed.

Bramwell House provides a safe and warm place to stay for people who would otherwise be sleeping rough. The services that it offers give some of the most vulnerable in Blackburn a life chance and an opportunity to change their outlook for the better. The main group of people who look to Bramwell House for support are single homeless people with support needs. Over the past 12 months, 413 residents have been supported there, and 83% of its residents have moved into other more suitable accommodation, which is a truly exceptional record. However, the benefits are so much more than simply offering a place to stay. Bramwell House helps to reduce rough sleeping, involvement in crime, reliance on the health system and demand for other social services in our community, and I find it regrettable that such places find themselves in peril because of short-termism in Tory housing policies.

Some may ask why supported housing should be exempt from the cap. In my opinion, it should be exempt because of the extra costs that are essential to providing the service. Many shelters need to provide staff 24/7, in order to offer real support to deal with the challenges facing these vulnerable people—something that I hope no one in this House will ever have to face. It is essential that the Government do all they can to ensure a future for Bramwell House and similar projects across the country. Homeless people's futures should not be decided according to the whim of a Department for Work and Pensions that is dead set on cutting the housing benefit bill at all costs. So I hope that the new Secretary of State will look at this with fresh eyes and

[Kate Hollern]

support the Prime Minister's statement that this Tory Government are going to have a social conscience. I look forward to seeing the benefits of that.

I look forward to seeing fairness, and to seeing the Secretary of State introducing a long-term funding package so that supported housing schemes do not have to exist month to month or year to year. If the Government take steps to support supported housing, the providers will be able to focus on their great work of providing somewhere warm and safe to sleep, helping the vulnerable to live independently and, crucially, giving homeless people a chance to turn their lives around for the better.

3.26 pm

Julian Knight (Solihull) (Con): Supported housing provides a hugely valuable service to many of our most vulnerable citizens: elderly people in need of care; vulnerable young people who need support and supervision; those fleeing domestic abuse or recovering from addiction; and more besides. The different types of supported accommodation are as varied as those who need them, ranging from hostels and refuges to more specialised residential units built around the specific needs of their residents. What they have in common is that they provide people with not only a safe place to live but a platform from which to embark on a more empowered, independent life than their circumstances might otherwise allow.

I iterate these points in order to make it absolutely clear that the Government's approach to the supported housing sector is rooted in a deep appreciation of the help that it provides for the vulnerable and an understanding of the challenges that it faces. The Solihull Care Centre, an organisation in my constituency that assists and represents carers, told me recently that some of its members were worried by the uncertainty created by the current one-year delay in the implementation of some of the coalition's planned reforms to funding. I note that there are no Liberal Democrat Members in the Chamber taking part in the debate today.

The entire reason for the delay in implementing the proposals outlined in the coalition paper is to allow proper time to examine the concerns expressed by other parts of the sector about their impact. It would be wrong to proceed without paying careful attention to those on the frontline. The Government must weigh the arguments of any lobby against the wider needs of the nation and the public purse. We cannot abandon the reform effort. I feel that the wisest course of action was to delay the changes while the sector's concerns are explored and examined in detail. I was pleased to hear the Secretary of State commit today to reach a final decision in the early autumn. I will be writing to the Solihull Carers Centre on my return to the office to let it know that timeline.

Complications are part of what makes reform so daunting, and sticking with an unsustainable status quo is always tempting. It is too often easier to patch and mend, to avoid the hassle and to pass the problem on to the next generation of politicians. I am proud to be part of a reforming Government that have led a decisive break with the buck-passing of the past. Government Members recognise that only by adapting to changing circumstances do we make sure that such important institutions are maintained for the future.

Bringing down the welfare bill is essential if we are not to pass on an unsustainable debt to our children. Let us not forget that it was under Labour that housing benefit ballooned into one of the largest and fastest-growing parts of our welfare system. At the start of this year, the annual cost stood at a staggering £25 billion—more than we spend on roads, the police, and equipping the military put together and equivalent to about 8p on income tax. Our reforms recognise that the old system had become overly complicated to administer and contained blind spots as a result of how it classified landlords, for example. It would also have become increasingly incompatible with the changing landscape of welfare provision as other reforms, such as universal credit and individual budgets, come into force.

I am confident, particularly after listening to the Secretary of State today, that the Government will move forward after the current review with proposals that will provide security to tenants, certainty for providers, value for money to taxpayers, and a sense of fairness to renters in the unsupported housing sector.

3.30 pm

John Healey (Wentworth and Dearne) (Lab): It is a pleasure to follow the hon. Member for Solihull (Julian Knight). He claims that the Government's approach is rooted in a deep appreciation of the help that supported housing gives to many of the most vulnerable. That certainly was not a characteristic of the Chancellor's decision in November, but we look forward to it being a characteristic of the decisions taken by the new Secretary of State for Work and Pensions and the new Chancellor this autumn. I applaud my hon. Friends the Members for Easington (Grahame M. Morris) and for Oldham East and Saddleworth (Debbie Abrahams) for joining forces in this debate—just as I did with our hon. Friend the Member for Pontypridd (Owen Smith) in January in a similar debate on a motion in similar terms to try to defend supported housing from some crude, across-the-board cuts that put its very future in jeopardy.

Those cuts were announced by the previous Chancellor in last November's autumn statement. The Government Front-Bench team keep on saying that they do not want to rush the decision, but that was the decision that was taken. It was wrong and was taken with no consultation, no evidence, no impact assessment and no warning. The previous Chancellor said that

"housing benefit in the social sector will be capped at the relevant local housing allowance."—[*Official Report*, 25 November 2015; Vol. 602, c. 1360.]

With one short sweeping sentence, he put at risk almost all specialist housing for the frail elderly, the homeless, young children and people leaving care, people with dementia, people with mental illness or learning disabilities, people fleeing domestic violence and some of our veterans. The Secretary of State's predecessor, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), either did not spot it or did not stop it, but either way the Chancellor completely ignored him last year. One of the tests for the new Secretary of State will be whether he can get the Chancellor to reverse the decision and to make a different one.

The purpose of my publicly exposing the problems with the housing benefit cut in December, calling the debate in this House in January, visiting many of the most vulnerable at-risk schemes across the country

throughout February, and making a Budget submission to the Chancellor in March remains the same as it was back then: to give voice to the hundreds of thousands of vulnerable people whose homes have been put at risk by the decision taken in the autumn statement and to highlight the warnings and the evidence of organisations that have the facts and will have to deal with the consequences. They are providers that the public respects and trusts, such as Women's Aid, Mencap, Age UK and the Salvation Army.

I also want to press the case, as the motion does, for a full exemption of all supported and sheltered housing from these crude, across-the-board cuts. The Secretary of State's words and tone were welcome today, but the test will be whether he can deliver a change of decision come the autumn. He said that the issues are important, sensitive and hugely difficult. He said that he was prepared to listen carefully to the sector, which we welcome. He also acknowledged that this sector transforms lives. In Rotherham, Target Housing does just that with people coming out of prison and the penal system, and Rush House does just that with vulnerable young people, often needing somewhere safe and a roof over their head and then the chance to be able to live independently. Together, those two organisations look after over 100 vulnerable people, but they say that they will be losing out by £8,000 a week and will have to close their doors and their schemes, leaving the people with nowhere else to go.

So I say to the Secretary of State that the review in the early autumn is fine, but that was started in 2014. We were told that it would report by the end of March, but it did not. It was nine months too late then, and by early autumn it will be 12 months too late for the decision that has already been taken. The test now is: can he produce this review in time for the next autumn statement, because he missed the last autumn statement? The real test will not be whether he can publish this evidence review, but whether he can get the change of decision that hundreds of thousands of the most vulnerable people in this country desperately want to hear from this Government.

3.35 pm

Kevin Hollinrake (Thirsk and Malton) (Con): It is a pleasure to follow the right hon. Member for Wentworth and Dearne (John Healey), who has much experience in these matters. It is clear from all the remarks made this afternoon that everyone in this House supports supported housing. One of the most inspirational parts of our job is visiting organisations such as Ryedale YMCA in Malton, Yorkshire Housing, North Yorkshire County Council and its facilities, and Arc Light in York, which are all helping vulnerable people to get back on their feet.

Interestingly, at Ryedale YMCA about £83 a week is allocated for accommodation for the young people it supports but we are talking about £111 for the support costs. If this local housing allowance cap did apply to this sector, that facility, like many others, would have to close. I know the Government accept this position; I have written many letters to them and they absolutely understand the need. I do, however, support their policy review in this area. Housing benefit in the social sector has reached £13.2 billion, which represents a 25% rise over the past 10 years. It is right to review spending, not

only to make sure that taxpayers' money is spent wisely, but to look for sustainable solutions in a way that protects the most vulnerable.

I accept parts of the motion; yes, supported housing should be exempt from the cap on LHA. I do not, however, accept the motion where it says that "the Government intends to cut housing benefit for vulnerable people".

That is clearly not the case—or Opposition Members do not know that is the case, as this is subject to a review. They are causing distress to their own constituents.

John Healey: But we do know this. If the hon. Gentleman looks in the Red Book, he will see, scored by the then Chancellor, savings for three years from 2018-19 for this measure on housing benefit of £990 million. We know this. That is the problem, that is the decision and that is what needs to be reversed.

Kevin Hollinrake: But does the right hon. Gentleman accept the number of times it has been said by Ministers that this is subject to a policy review, which is due out in the autumn? Therefore, to say that this is going to happen is absolutely wrong.

I do accept that uncertainty is being caused by this policy decision, and we should think through a policy before we announce it. This does disincentivise investment. The National Housing Federation has said that 1,200 new units are on hold because of this policy—this potential policy. It is vital that we deliver these units to meet the overall need to build more homes. We are building many more homes—the figures are almost double those from 2009. We built 166,000 in the most recent year, whereas 90,000 were built in 2009. We need to get to 250,000 homes a year, but we will do that only by allowing either national Government or local government to build more affordable rented homes. The last time we built 250,000 homes in a year was in 1977, when local authorities built 108,000 homes. We absolutely feel that affordable homes to rent must be part of the solution.

Julian Knight: Does my hon. Friend recognise that the Labour party has nothing to lecture us about on building social housing, as it built next to no social housing in its 13 years in government?

Kevin Hollinrake: My hon. Friend is absolutely right.

As others want to speak, I will move on to one other point, which is the disincentive for the young people in these facilities, which do a fantastic job. Recently, on a visit to Arc Light in York, I met two young men in their 20s: one was a brickie and the other a joiner. They were perfectly capable of working, but were totally deterred from working, because they felt that if they were in work, they would have to pay the full costs of that accommodation—£250 a week—which is a huge disincentive. That may not be quite true. Lord Freud wrote to the Communities and Local Government Committee for clarification, but the Chair of the Select Committee was not quite clear on the point.

Jess Phillips: From my experience, that is a problem with the current system of housing benefit. It is much harder for people who are in employment to stay in supported accommodation, because they do not qualify for housing benefit at a higher rate. That is something

[Jess Phillips]

that absolutely must be sorted out in any system. We are not saying that it is perfect, but that is definitely one of the problems.

Kevin Hollinrake: I am very glad that we agree on that point. The other impression that I got from these young people was that they did not seem to feel any particular urgency to get back into work. We should consider whether we are providing the right incentives and encouragement for these young people, who are perfectly capable of working, to get into work.

In conclusion, I do accept some of the points in the motion, but certainly not all of them, and for that reason, I will be voting against it in the Lobby this evening.

3.41 pm

Helen Hayes (Dulwich and West Norwood) (Lab): It is a pleasure to follow the hon. Member for Thirsk and Malton (Kevin Hollinrake) with whom I serve on the Communities and Local Government Committee.

My constituency benefits from a wide and diverse range of supported housing schemes, which play a fundamentally valuable role in enabling people, who would not otherwise be able to do so, to live independently—whether it is for a period of time following a particular trauma such as domestic abuse or for the long term. Supported housing gives people dignity and community. It contributes to the kind of society that we want to be, advances equality and saves the state money.

Among the excellent supported housing in my constituency, we have women's refuges; housing for blind and partially sighted residents run by Action for Blind People; a foyer run by Centrepoin, which is also very concerned about the withdrawal of housing benefit from 18 to 21-year-olds; an Emmaus community supporting homeless people back into work and permanent accommodation; housing for residents with learning disabilities run by L'Arche and others; extra care housing for older residents, the need for which is growing exponentially; and many others. Each provider has been thrown into turmoil by the proposal to cap housing benefit to the level of the local housing allowance.

Earlier this year, I met a number of housing associations and voluntary sector organisations that provide supported housing in my constituency. Without exception, they expressed their concern about the proposed cap. Housing associations, without exception, said that they would be able to provide less supported housing if the cap is introduced; that they will not invest in new schemes; and that some of them will seek to dispose of existing supported housing schemes. Several said that supported housing was already subsidised by other parts of their business, and others that, while at the moment that covers their own costs, the finances were already very precarious.

The announcement of the review was welcomed, but since then the lack of further clarity and the delay in making a decision has also caused problems. Such is the uncertainty caused by the review that Emmaus, which runs housing for people who were formerly homeless, told me that it is postponing investment decisions and is unsure about whether to continue some of the schemes

that it runs. These are homes that people rely on now. The fact that their futures are now in jeopardy underlines the urgency of the situation.

The challenge presented by the introduction of the housing benefit cut to the level of the LHA is further compounded by other changes that have been introduced. The national living wage, while welcome, is not supported by any increase in the funding for providers that will have to implement it, and that is squeezing their finances. Cuts to local authority funding are reducing the extent to which support services are there for those who need them, placing further emphasis on the support directly provided by the providers of supported housing.

The impact of the Housing and Planning Act 2016, not least on the starter homes obligation on local authorities, will reduce the extent to which providers across the social housing sector are able to provide supported housing. Brexit creates further uncertainty for the construction sector, and potentially threatens the ability of housing associations to borrow from the European Investment Bank and other sources at preferential rates, which further damages the ability of the sector to deliver supported housing.

At the time of a Communities and Local Government Committee meeting a few weeks ago, the Minister, Lord Freud, was stuck on a plane, I believe, but his official, Peter Searle, was there to answer questions from the Committee. I asked about the timescale for announcing the outcome of the review on the LHA cap. Peter Searle said that it would be announced before the recess. Will the Minister please explain why this commitment is not being met, and why we are heading into the recess with further uncertainty and turmoil for the supported housing sector?

With the timescale for this review, the Government are treating with contempt a sector which makes nothing but a positive contribution to supporting some of our most vulnerable residents. I hope that, when summing up, the Minister will clarify the timescale for a decision on the review, confirm that the cap will not be implemented as planned, and set out an approach to supporting and investing in supported housing to enable a strong sector to meet current as well as future needs for some of our most vulnerable residents.

3.45 pm

Heidi Allen (South Cambridgeshire) (Con): Over the past few days I have been pondering whether Government reshuffles are frustrating or whether they are an opportunity. Listening to the tone set by the new Secretary of State today, I have settled on opportunity. The topic of this debate offers a huge opportunity to our new Secretary of State and his team. I know that this Government share my appreciation of the role of supported housing, and I also know that they are aware that caps on housing benefit could adversely impact on its provision. I want to press on the Secretary of State today the urgency with which a conclusion must be reached.

When the Government are rightly checking how taxpayers' money is spent, they must also consider the impact of change on those potentially affected. I believe the British people trust this Government to be financially prudent, but at the same time they want to see the most vulnerable people in our society protected. In my constituency, I have supported housing schemes looking

after the elderly. I recently visited one of those providers, Moorlands Court in Melbourn. I have rarely seen such high standards of care—supported housing at its most dignified, with medical care and attention provided in a carefully thought-out setting. I am very proud to represent such services.

Cambridge Housing Society knows what it is doing. It also provides housing for vulnerable teenagers and people with learning difficulties. It is not in the sector to make a profit for shareholders. It is fulfilling the needs in my constituency that keep me awake at night. But while the Government undertake their review of the sector and no definitive alternative funding proposals have been outlined, the sector is in a state of paralysis. The cap on housing benefit would mean a loss of £537,000 to CHS alone, and would immediately put four of its schemes into an operating loss. In this vacuum of uncertainty, the sector, which badly needs to grow to fill the demand that we all know exists, stalls. Schemes are not brought forward, investment plans are shelved, places are not offered to the most vulnerable citizens and they suffer.

Delaying the implementation of the housing benefit cap on the sector is welcome, but excessive delay in outlining a new model is damaging. Given that the sector was expecting to hear, I believe, in mid-July I urge the Secretary of State to tell us when in early autumn we will have a decision. If the review can also identify areas of abuse in the system, of course that is welcome, but that should be dealt with separately. The rest of the sector has a job to do and its future plans must not be jeopardised because of the behaviour of a few.

I cannot support the motion today as it is worded, because it asks the Government to exempt supported housing from the housing benefit cap altogether, though I do share some sympathy for that view, and I am pleased that we are having this debate. It seems obvious to me that the Government are seeking an entirely new model to ensure that the sector is well funded for the future, and that may indeed be better, but we must hear it soon. Damage is done to this Government's reputation when we propose cuts without simultaneously communicating an alternative. Cuts to employment and support allowance for the work-related activity group are a prime example. That was a mistake, but one that it is not too late to fix either.

Whether through a White or Green Paper on disability, or these proposals, we must focus the minds of our Secretary of State and Ministers on communication. Precise deadlines for decisions are important. I urge the Secretary of State to join me in seeing this as an urgent opportunity, not a damaging frustration.

3.49 pm

Mrs Emma Lewell-Buck (South Shields) (Lab): Just seven days ago, the new Prime Minister spoke in her inaugural speech about social justice, yet here Opposition Members are, yet again, having to speak out against yet another socially unjust policy proposal from this Government. Cutting housing benefit for the most vulnerable in our society will result in the closure of thousands of supported accommodation units. This is about people's homes and people's safety.

When I was a local councillor, two sheltered accommodation complexes for the elderly were earmarked for closure. For a year, I worked with elderly

residents to save their homes, and I will never, ever forget the worry and fear etched on their faces, and the many concerns they had. All they could think about was where they would live, how they would afford to move and who they would have for company. When we know that Age UK is reporting that 300,000 elderly people suffer from chronic loneliness, which leads to early death, we see that the social angle this accommodation provides is beyond vital, and I remember the sheer joy and relief when we managed to stop those shelters closing.

Today I am mindful of the fact that we are talking about not just one or two shelters for the elderly closing, but hundreds and potentially thousands. I would like the Minister to tell us where on earth these people will move to if their shelter shuts. Many in constituencies such as mine will not be able to afford private accommodation. Many will have no family to go to. Thanks to this Government, there is a massive shortage of council housing, forcing these people into residential or care homes or into the health service, which is not fit for their needs or appropriate for them, particularly in the long term. That leaves only one option: homelessness. Yet this policy will see the closure of homeless hostels too, which can mean only one other choice: to go on to the streets. Surely the Government can see that if they push ahead with this change, there will be no charities and services they can push this problem on to, because cutting this money is cutting those very services.

Earlier this year, I had the huge privilege of spending time with Terry Waite CBE. Many may not know this, but this towering, kind, humble man, known for the horrific captivity he endured in Lebanon, is president of Emmaus UK, which was referred to by my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes). Emmaus provides homes and work for people who have experienced homelessness, and it is due to open a site in my constituency. It provides a tried and tested, lasting route out of homelessness. It also generates £6 million per year in savings to the state, through reductions in offending and the improved use of health services. However, it has told me that if housing benefit for supported accommodation is capped nationally at LHA rates, it would lose over £3 million per year, threatening most of its communities with closure.

Peter Aldous: I, too, have visited an Emmaus community. Does the hon. Lady agree that Emmaus does great work? For every £1 the state puts in, Emmaus produces a social return of £11. Does she agree that it is vital that the new system we come up with acts as a catalyst for that type of inward investment?

Mrs Lewell-Buck: What is vital is that this proposal is scrapped, so that the Emmaus community in my constituency can be built, and all the people living in the other communities are not faced with being pushed back on the streets because their community has closed down.

Those who have experienced the horror and degradation of being homeless and on the streets could find themselves right back there if this policy goes through. This is just poor economics, and it is beyond contemptible. I am completely aghast as to why any Government would want to introduce a policy that would see our elderly,

[Mrs Lewell-Buck]

our care leavers, those with mental health and learning difficulties, our veterans and victims of domestic violence on the streets, and that would keep those who are already homeless there too. If this policy is introduced, people will be destitute.

Earlier the Secretary of State said that, despite people being in enduring limbo, it will be autumn before we have an announcement. I hope that that means the Government are slowly beginning to understand at last that regressive policies such as this, punitive benefits sanctions and the bedroom tax only create more problems for our society and will cost the Government a hell of a lot more in the long run.

3.54 pm

Marie Rimmer (St Helens South and Whiston) (Lab): The Government's proposals to cap housing benefit at the level of local housing allowance will severely damage supported housing across the country, including in my constituency. We have 605 units of supported housing for vulnerable people who are suffering from mental ill health and learning disabilities and who are victims of abuse and addiction. There are also 2,070 units of housing for older people. Those high numbers were set to become even higher, but the plan to build a further 500 units was stopped. The day after a debate in January in which I raised the issue in this Chamber, and a DCLG official made contact to see what help could be given to prevent the plan from being stopped.

Behind every one of those high numbers is a person or family with their own individual story. I recently had the pleasure of visiting the residents of two supported housing schemes in St Helens. Salisbury House is run by the Salvation Army and provides accommodation for 48 single, homeless men, including veterans. Some have served time in prison, some suffer from addiction and some have experienced family breakdown and ended up on the streets. As well as being given a place to stay, residents are offered support and advice in a range of areas to help them to break the cycle of homelessness. That includes advice on housing, benefits, education, life skills, work experience, money management and accessing other agencies, including rehabilitation services, and help to make and build a home for themselves. In other words, these men receive help to get their lives back on track and to resume their place as full and functioning members of society.

That sort of holistic approach is the proven route to defeating homelessness, as it gives people the power to take control of their own lives and to make the necessary changes for them to get back on track, keeping them off the streets and away from crime. The project will cease to exist if housing benefit is capped at the level of local housing allowance. The cost will transfer to the national health service, the criminal justice system and social services, because people need support.

Parr Mount Court is a residential home for 97 elderly people, 33 of whom are supported by Making Space, which is registered with the Care Quality Commission. Most of the residents that I met were elderly people. St Helens is different, in that its elderly population is set to rise by a massive 14.5% by 2020. Some years ago, we did a survey of elderly people, asking them what they

wanted. They said that they did not want to go into residential accommodation and that they wanted to stay at home, but they could not do so because they did not have the support. We set out to build villages of extra care housing, both sheltered and supported, but every one of them will cease if the Government's proposals go ahead.

The St Helens benefits team tells me that £4.96 million a year will be scrapped and will not come to St Helens if the proposals go ahead. That money provides the care we need to keep people in their own independent homes, rather than them having to go into residential homes or even ending up in the NHS.

I want to talk about a young man with mental health issues. His family could not support him and he was being supported at one of the 19 units of supported housing that we have for such situations. He needed national healthcare, but the only place that could be offered was in Germany. I raised the issue with a former Minister—since last week, he is no longer in post. He did his best, but could not come up with any other place. If the proposals go ahead, the young man will not even have sheltered support. We know that we do not have NHS mental health provision, and we are taking away the only provision available. The situation really needs to be looked at carefully.

There are many care leavers in St Helens and we provide them with a home and support because they do not have mums and dads or a family network to support them and help them to build a home.

I ask the Government to speed up the process, but to also consider carefully the damage that is going to be done to society and where the cost is going to be picked up. There are no beds available in our hospitals in the north-west, and there is no money available for social services. I ask the Government to be speedy, to do it carefully and to consider the people affected.

3.59 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to follow my hon. Friend the Member for St Helens South and Whiston (Marie Rimmer) and my constituency neighbour the hon. Member for South Cambridgeshire (Heidi Allen). I am sure the hon. Lady agrees with me when I say that housing in Cambridge is now fearfully expensive. The price of a terraced house in Cambridge is almost £500,000, and the average rent is twice that in the rest of England. The Office for National Statistics tells us that house prices in Cambridge have risen faster than anywhere else in the country since the Conservatives and Liberal Democrats formed their unholy alliance.

People are increasingly locked out of the housing market and the private rented sector, and it is against that backdrop that the brave people trying to provide sheltered housing in an expensive city such as Cambridge have to operate. They do not pull their punches when asked about the current situation. I went to see one of the excellent Metropolitan's housing schemes a few weeks ago, and it was inspiring. It was exactly the kind of scheme that every Member of the House would be proud our country is promoting. What did it tell me? It told me it could not do it now—it could not do something similar again—because of the uncertainty it faces.

The hon. Lady has already mentioned the excellent Cambridge Housing Society Group. It has a scheme just up the road from where I live in Cambridge, and I was there at the weekend to celebrate 25 years of its excellent nursery scheme. It runs supported housing schemes as well, and its brilliant chief executive, Nigel Howlett—he will have had the same conversation with the hon. Lady as he has had with me—is absolutely clear about the impact: schemes it wanted to implement are on hold. As has been said, the potential loss to the Cambridge Housing Society is over £500,000, with four schemes absolutely at risk.

I was very impressed by the comments made by my hon. Friend the Member for Nottingham South (Lilian Greenwood), who is no longer in her seat, and I suspect the local authority of every Member in the House has the same set of examples. Cambridge City Council manages more than 100 units of accommodation for homeless households, including three hostels, 22 units of move-on accommodation for adults recovering from mental health conditions, and 13 sheltered housing schemes for older people, with more than 460 tenancies. The council tells me that all those rely on this income. In a high-cost city like Cambridge, the inevitable consequence of the changes is that it will have to make more cuts. As has been said, that means fewer wardens, less support and less preventive work to stop people going to the national health service, which is of course tremendously overburdened.

As we have heard from Members on both sides of the House, there is a problem, and I urge the Government to think hard about it. We have a new Prime Minister, who has made her point about social justice, and she has a very early opportunity to turn those warm words into action. It really does not have to be that difficult. Please just do it.

4.2 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I am pleased to take part in today's debate, which follows a Westminster Hall debate on refugees in May, when we discussed similar matters. I want to concentrate on the threat that the proposed capping of housing benefit to the local housing allowance rate in the social sector poses to people fleeing violent relationships.

It is clear that this cut will have a devastating impact on the continuing provision of Scottish refuge accommodation. At the moment, with no clarity about when or if the changes will be introduced, these extremely vulnerable people face the threat of literally being left out in the cold. I am aware, from having spoken to several survivors of domestic violence, that the point at which someone decides to leave a violent relationship is one of the most critical points in their lives and those of their children. It is absolutely vital that adequate support is available to anyone at the moment they decide to leave such a relationship. The availability of such support is often a deciding factor for the abused in choosing to leave the abuser.

Let us give the Government the benefit of the doubt. I do not believe—I certainly hope—that this policy announcement was made with a complete and full understanding of the consequences of capping for refugees. However, this has now gone on for far too long, and we need a resolution. These absolutely vital services must

be protected. The new Government have a chance to change the record and show they are different from their predecessors, whose ideological austerity drive proved time and again that they knew the cost of everything and the value of nothing.

Analysis carried out by Angus Women's Aid has found that refuge costs are significantly higher than the local housing allowance rate. The examples provided show that annual losses caused by the introduction of the cap will vary from £5,800 to £11,600 a year. The former Scottish Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, Alex Neil, said categorically in a letter to the UK Government last February that without the current levels of housing benefit to cover the additional costs, refuges would be forced to close.

Despite the cautious welcome that I and others have given to the Government's new violence against women and girls strategy that was announced in March, which offered some reassurance about ongoing funding for front-line services, we should not allow ourselves to ignore the challenges that such services face. Women's Aid has highlighted the funding pressure that the services are under and warned that lives will be lost unless a more secure and long-term funding settlement is in place.

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 refuge referrals are turned away due to lack of capacity. The Government must ensure that capacity is built back up, not diminished, to ensure that no one who is abused is turned away from the support that they seek.

Dr Marsha Scott from Scottish Women's Aid has said that the policy of capping housing benefit may create an environment where women are unable to escape a violent relationship. We must not be put in a position where a person is unable to flee a violent relationship because they cannot afford the accommodation costs in a refuge. It is unacceptable that we face the risk that people will be locked in violent relationships because they cannot afford to seek help.

The risk is especially high for people aged under 35, who under the proposals will be restricted to the shared accommodation rate. According to Scottish Women's Aid:

"In 2014-15, the 26-30 years old age group had the highest incident rate of domestic abuse recorded by the Police in Scotland. Women in this age group clearly have a significant need for domestic abuse support services—including refuge accommodation."

Even Lord Freud has admitted that this policy has had "unintended consequences" for the public purse. He gave a commitment to Scottish Women's Aid that he would protect refuge accommodation from any unintended consequences resulting from welfare reform. I call on him to honour that promise and find a solution as soon as possible.

The UK Government have left tenants in uncertainty over their future housing situation. Using discretionary housing payments to top up the gap between LHA and the actual costs of supported accommodation is simply not secure enough. Angus Women's Aid has stated that that will create additional barriers and risks for women and children who are experiencing domestic abuse and

[Gavin Newlands]

seeking refuge. They will be subject to a postcode lottery because local authorities will decide whose support needs can be met—or not. DHPs should be used to ensure that people are protected, not to mitigate bad and ill-thought-out Tory policies.

To conclude, 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 exempt from the housing benefit cap. Simply delaying the changes is not good enough; these devastating changes must be stopped, and stopped now.

4.7 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): This has been a thorough and important Opposition debate, with 21 contributions.

I welcome the new Work and Pensions team and the conciliatory tone that the new Secretary of State took in his opening speech. I gently chide him, however, for saying that the Government have an exemplary record, because during the passage of the Welfare Reform and Work Bill last year, which the Minister for Employment will remember well, they refused an Opposition amendment that would have exempted supported housing from the 1% cut to housing benefit. Although I recognise that it is early days, I hope that we can move forward in a constructive way.

I pay tribute not only to my hon. Friend the Member for Easington (Grahame M. Morris) for his excellent speech, but to a number of other hon. Members who have spoken. The hon. Member for Glasgow Central (Alison Thewliss) rightly identified the issues with the local housing allowance cap and gave some practical examples of how it would affect her constituents. Similarly, the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) spoke of the threat to refuges. Obviously, with the Scotland Act 2016 coming into force, the Scottish Parliament and Scottish Administration will have the opportunity to take their own course of action in relation to any future cap if the Government choose not to act.

I commend the hon. Member for Waveney (Peter Aldous) not only for his remarks today but for his Adjournment debate last week. It is positive that we are able to work across the House on this very important issue. So many Members from across the House recognise the issues that very vulnerable people face.

My right hon. Friend the Member for Newcastle upon Tyne East (Mr Brown) rightly identified the knock-on effects of the proposals on other Departments, especially in terms of costs. My hon. Friend the Member for North West Durham (Pat Glass) made a very powerful speech on the impact of cuts to supported housing provision for people with mental health issues. My hon. Friend the Member for Nottingham South (Lilian Greenwood) highlighted the impact on her constituents.

I take some exception to the remarks of the former Minister for Disabled People, the hon. Member for North Swindon (Justin Tomlinson). I am sure that he did not intend to misrepresent the figures in what he said about the funding provided to disabled people, but

spending as a percentage of GDP has gone down. A total of £30 billion of support to 3.7 million disabled people has been cut—

Justin Tomlinson: Will the hon. Lady give way?

Debbie Abrahams: No, I am sorry—there have been so many opportunities for that. I am sure you will go straight to *Hansard*, Madam Deputy Speaker, to see exactly what those remarks were.

I will move on to my substantive remarks. Many people have defined what supported housing provides, in terms of both accommodation schemes and support to very vulnerable people. It includes preventive services, services to older people in sheltered housing and extra care. It may consist of supported housing for people who have suffered domestic abuse, people with drug, alcohol or mental health issues, people who have learning disabilities or difficulties, people who are homeless, former offenders or young people leaving care. As we have heard very powerfully, it supports people who have been in the armed forces. Services may be temporary or longer term—for example, services for older people or people with learning disabilities.

Although types of supported housing services range widely, they all share the common purpose of providing a safe, secure home and support for vulnerable people to live independent, healthy and fulfilling lives—something we all want. As has already been mentioned, supported housing has the added benefit of preventing acute admissions to our already much-stretched health and care services, offsetting financial pressures in the Departments responsible for those services and many other Departments to the tune of £640 million a year. Rents for supported housing tend to be higher than those for general needs housing because of the nature of the schemes and the services they provide, but it is estimated that investing in such accommodation delivers a net saving to taxpayers of around £940 per person, per year across all client groups.

Last year, the estimated number of supported housing units needed for the working age population was 125,196, but the number available was 109,556, a shortfall of 15,640. It is estimated that, if current trends continue, that shortfall will double by 2019-20. I am sure that the Minister has examples of homelessness from her own constituency casework. I have to say that my caseload on that has absolutely hit the roof in recent weeks and months. I am talking not just about sofa surfers but about people who are living rough, including one young man who was living in a tent by the side of a reservoir. There were no hostel places or other specialist accommodation available for those people. That highlights the importance of the shortfall in supply.

Over the past year, there has been considerable anxiety across supported housing providers that not only are there already too few places to cope with current levels of need, but that collectively, the Government's 1% cut to housing benefit in the Welfare Reform and Work Act 2016—which also affects supported housing—and the cap on local housing allowance announced in the autumn statement will make thousands of supported housing schemes unviable, affecting hundreds of thousands of vulnerable people.

The National Housing Federation has estimated that the LHA cap alone will mean that 156,000 specialist homes will be forced to close, and that in addition to

stopping 2,400 new homes being completed, a further 9,270 homes planned for construction have been cancelled. In my area of Greater Manchester, it has been estimated that the loss of revenue to providers could be more than £50 million a year.

Although we welcome the Government's suspension of the 1% cut to housing and the LHA cap, we are concerned—many Members have stressed this—about the delay in the review into providing a long-term, evidence-based sustainable solution, and the effect that that is having on investors regarding new developments, as well as on unfreezing those that have been put on hold because of the uncertainty. I am disappointed that the Secretary of State seems to have kicked that issue into the long grass—I am sure his mobile phone will provide the answers for him. As my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) said, we were expecting—as were housing providers—a statement by the recess, but we are now a day away from that. We are six months into the 12-month period, and 19 months since the start of the review period. When can we expect to see that review?

What contingency arrangements are in place to enable housing providers to plan? Will the Minister confirm that discretionary housing payments, with their inherent uncertainty and variable application, are not the Government's only solution to plugging the gap in rent? Will she confirm that no one with support needs will go homeless or end up in unsuitable accommodation as a result of those delays, and that the housing and support costs of delivering a quality service will be met, and be flexible enough to meet challenging levels of demand? Will she ensure that evidence of the quality and value for money of supported and sheltered housing is published and promoted to the public? Finally, will she ensure that new funding arrangements for housing costs assure long-term funding certainty for providers, enabling them to continue investment in homes and services that meet the needs of vulnerable tenants, by funding rents and service charges through the social security system? Support costs should be funded through central Government on a cross-departmental basis, reflecting the outcomes that they would like to achieve.

The Prime Minister has given her pledge for a one-nation Britain, and she said that when she makes the “big calls” or “passes new laws” she will think of ordinary working-class families. As one of her first tasks, I ask her Government to start to right the wrongs that have been done to the most vulnerable in our society, and to ensure that they have the homes and support they need. We need deeds, not words.

4.18 pm

The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes): I thank the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) for her welcome, and many right hon. and hon. Members for the passion, enthusiasm and interest that they have shown in this debate. I am delighted to have been appointed to my role at the Department for Work and Pensions, which does vital work for millions of people across the country.

It is clear that Members across the House take a keen interest in the funding of supported housing, and rightly so given the valuable support that that sector provides

to some of the most vulnerable citizens in society. Through the welfare reforms that my Department has been driving over the past six years, we have sought to ensure that everyone has the opportunity to realise their ambitions and potential, and we can see that working. Today's labour market statistics show that employment continues to rise, and remains at a record high.

Alongside that ambition, however, we know the importance of protecting the most vulnerable in our society. We heard from 19 Back Benchers, constituency MPs representing the length and breadth of the country. Many of us have come across wonderful work of many supported housing providers in our own local communities. I apologise if I do not manage to mention everybody—I will do my best—but I would like to highlight some of the excellent contributions we have heard.

The hon. Member for Glasgow Central (Alison Thewliss) mentioned the Blue Triangle project for young people in Glasgow city centre and the ARCH resettlement centre for homeless people. I emphasise to her that 200 individuals were involved in the review that has been undertaken. She spoke forcefully about refuge. Like me, she will have heard my right hon. Friend the Prime Minister in today's Prime Minister's questions mention the importance of doing everything we can for those who are victims of domestic violence.

My hon. Friend the Member for North Swindon (Justin Tomlinson), who I thank for his very kind words and his immense amount of hard work in the Department, talked about Voyage Care. He is incredibly knowledgeable and I welcome the support he has given in this debate today. My hon. Friend the Member for Lewes (Maria Caulfield) referred to Newhaven Foyer in her constituency and BHT Sussex for people with dependencies.

The hon. Member for Nottingham South (Lilian Greenwood) referred to Nottingham City Homes, Nottingham Community Housing Association and Framework. She was very kind and invited me to visit her constituency. I note I did not get the same invitation to go to Plymouth in the summer months.

Oliver Colvile: Those of us in Plymouth would be delighted to see my hon. Friend there. I will be in touch with her regarding her diary.

Caroline Nokes: I thank my hon. Friend for that invitation. It did not take much of a nudge, did it?

My hon. Friend the Member for Erewash (Maggie Throup) gave a number of examples from her constituency, including the Canaan Trust with which she spent a night sleeping rough. When I was newly elected, I remember spending a night sleeping on Southampton Common. I was very fortunate: the Society of St James gave me the easy option of sleeping rough in August.

My hon. Friend the Member for Dudley South (Mike Wood) spoke movingly about the support provided for his constituents by the Black Country Housing Group. The hon. Member for Blackburn (Kate Hollern) spoke about the importance of Bramwell House, run by the Salvation Army, for homeless people in her constituency. My hon. Friend the Member for Solihull (Julian Knight) spoke about Solihull Carers, and the right hon. Member for Wentworth and Dearne (John Healey) spoke about Rush House and recognised the importance of Departments

[Caroline Nokes]

across Government working together to find a solution that works for a very diverse sector. I assure him we are doing exactly that.

My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) said that visiting supported housing providers was one of the most moving and important things he had done as part of his job. He referred to a number of very important providers in his constituency.

The hon. Member for Dulwich and West Norwood (Helen Hayes) talked about housing provided by Emmaus, Action for Blind People, housing for older people, women's refuges and many others. I think that that provides us with some perspective on the great amount of variety in this incredibly diverse sector.

The right hon. Member for Newcastle upon Tyne East (Mr Brown) spoke about the savings for the public purse that could be found through supported accommodation. He is, of course, right. By investing in supported housing as a preventive service, potential pressures on other public services, such as the NHS and the criminal justice system, can be eased. I want to reassure hon. Members that we do appreciate this very important point. We are mindful that we need to look at the costs and benefits of supported housing in the round.

Mention was made of Brexit, which I guess is inevitable. It is still too early to tell what the impact will be, but we are keeping markets under close review and are actively engaged with housebuilders. Ministers from the Department for Communities and Local Government are meeting industry leaders to listen to their views in light of the EU referendum result.

I would like to pay particular tribute to the hon. Member for Birmingham, Yardley (Jess Phillips). I thank her for welcoming me to my position. She has an incredible track record. She is immensely knowledgeable, and I value her experience and expertise. As she mentioned, we have shared platforms together. I hope we will continue to do so. It was a great sadness for me that I had to resign as vice-chair of the all-party group she chairs. I hope I will continue to work alongside her. I want to make it really clear that my door is always open to her. She made the incredibly important point that we need consensus and commitment on this issue and I am determined to find that.

From experience, I know of the excellent work of organisations such as the Enham Trust in the constituency of my hon. Friend the Member for North West Hampshire (Kit Malthouse) and Care after Combat. Enham provides a wide range of housing options for around 7,500 people across the country, with a particular focus on disabled people. Some of my constituents have benefited from its supported living venues, where residents receive the care and support they require in fully accessible homes.

Care after Combat has recently opened Simon Weston House in Southampton, which specialises in accommodation, rehabilitation and life skills for former armed forces personnel who find themselves in the prison system, and I look forward to visiting it shortly. I was pleased to hear the hon. Members for Easington (Grahame M. Morris), for North West Durham (Pat Glass) and for St Helens South and Whiston

(Marie Rimmer) all mention the military covenant and the importance of what we do for former service personnel.

The hon. Member for Ealing North (Stephen Pound), who unfortunately is no longer in his place, intervened with an important point about the YMCA, alongside which, in its capacity as a supported housing provider, I have been pleased to work. He also mentioned Northern Ireland, where, of course, these matters are devolved.

For hundreds of thousands of people across the country, from those with mental health conditions to ex-offenders and those escaping domestic violence, the importance of supported housing cannot be overestimated. We have heard the concerns of the supported housing sector about the application of the local housing allowance rates to all social sector rents. Before coming to this role, I met representatives from Women's Aid, both locally in Southampton and nationally, and I have arranged to meet stakeholders about this issue. I know there has been a strong dialogue with the sector already; that will continue.

I assure the House that I understand its concerns, and as my right hon. Friend the Secretary of State set out at the start of the debate, we are committed to providing a solution. It is a hugely diverse sector and we need a funding solution that can fit the whole of it. We are committed to making an announcement early in the autumn that will set out the Government's views on what that solution should look like.

The shadow Secretary of State made a number of points, and it is critical that in response I reiterate that this is a complex sector but that we are determined to get it right. It is far more important that we get it right than that we rush something through. I reassure the House that this issue remains a key priority for the ministerial teams at the DWP and the Department for Communities and Local Government. Indeed, Ministers across Whitehall and in the devolved Administrations have an important stake in the outcome of our review.

I would like to place on the record my thanks to the organisations across the sector, local authorities, providers and indeed residents of supported housing who have engaged so willingly in our evidence and policy reviews. I want to ensure that we continue to work closely together as we move towards a consultation on the long-term options for reform in the autumn.

At the start of the debate, the hon. Member for Easington described Ministers as "old hands at making policy in an evidence-free zone". I am not sure how badly to take the comment about "old hands" but let me reassure him that this is absolutely not an evidence-free zone. I look forward to updating the House on our proposals and to continuing to listen to hon. Members' views on how best to ensure that the supported housing sector that we all value so much can continue to thrive. We have heard from the Secretary of State that the review will be published in the early autumn. I therefore urge hon. Members to oppose the motion.

Question put.

The House divided: Ayes 256, Noes 290.

Division No. 51]

[4.28 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie

Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi

Ali, Rushanara
 Allen, Mr Graham
 Allin-Khan, Dr Rosena
 Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Barron, rh Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Blackford, Ian
 Blackman, Kirsty
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Butler, Dawn
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, rh Jeremy
 Cowan, Ronnie
 Coyle, Neil
 Crawley, Angela
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 Day, Martyn
 Docherty-Hughes, Martin
 Dodds, rh Mr Nigel
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise

Farrelly, Paul
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Furniss, Gill
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Dame Margaret
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lammy, rh Mr David
 Lavery, Ian
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Long Bailey, Rebecca
 Lucas, Caroline
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema

Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reeves, Rachel
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin

Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Nick
 Smith, Owen
 Spellar, rh Mr John
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, rh Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Stephen
 Vaz, rh Keith
 Vaz, Valerie
 Watson, Mr Tom
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Williams, Hywel
 Wilson, Corri
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:

**Jeff Smith and
 Vicky Foxcroft**

NOES

Barwell, Gavin
 Bebb, Guto
 Bellingham, Sir Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter

Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, rh Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Carmichael, Neil
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colvile, Oliver
 Costa, Alberto
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davis, rh Mr David
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fernandes, Suella
 Field, rh Mark
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, rh Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert

Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, rh Ben
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matt
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kirby, Simon
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne

Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 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
 Parish, Neil
 Patel, rh Priti
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok

Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swaney, rh Sir Desmond
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggins, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
Mr Robert Syms and
Guy Opperman

Question accordingly negated.

ROYAL ASSENT

Madam Deputy Speaker (Natascha Engel): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Act:

Supply and Appropriation (Main Estimates) Act 2016.

Charter for Budget Responsibility

4.43 pm

John McDonnell (Hayes and Harlington) (Lab): I beg to move,

That this House calls on the Government to withdraw the Charter for Budget Responsibility: Autumn 2015 update, which was laid before this House on 12 October 2015, and to lay before the House at the earliest opportunity an alternative update which provides the basis for stabilising the UK economy and providing long-term investment for growth.

I see that the Chancellor has not joined us today. I was hoping he was going to improve on the record of his predecessor for attendance, but it is good to see the Chief Secretary on every occasion.

What the leave vote said to many was that a new economic approach is needed. Too many of our country's places and people feel they have been left behind, and this Government's current fiscal rules are clearly exposed as inappropriate for an economy facing this kind of shock. So we need a new framework for fiscal policy that will support the investment this country desperately needs, yet all of us have been left without any clarity from the Government over their future direction. Business groups today report they are increasingly concerned about the Government's current lack of direction and their lack of interaction with the Government. The lack of a clear plan is already harming investment.

The Prime Minister indicated in her initial speech that she was looking to set a new direction for Government economic policy. We agree that a change of course is needed, including more investment and an industrial strategy.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman is hinting at what we hope will be a change of direction for the Government. For far too long, the Government have concentrated more on achieving a balanced budget than on managing the economy. They have not been creating demand. They should have been listening to the likes of Paul Krugman, Joseph Stiglitz and Richard Murphy, all of whom have been giving the Government a map to follow for years. The fact that they have failed to follow it explains why we are in this situation today.

John McDonnell: I will come on to the way in which the fiscal rule implementation has harmed the economy and prevented economic growth, resulting in the slowest recovery from recession in our history, but I shall now press on. I listened—

Jeremy Quin (Horsham) (Con): Will the hon. Gentleman give way?

John McDonnell: It would be helpful if I could just finish this sentence.

I listened to the Prime Minister's answers at questions today, which unfortunately suggested that she will largely be sticking to the fiscal approach that has failed so badly. So the uncertainty continues, and until this Government make their plans clear, Britain will be on hold.

Jeremy Quin: On the speed of the recovery, we are coming out of the deepest recession that we have perhaps

ever known, and I am sure that the hon. Gentleman would recognise the fact that we have recovered far faster than many of our major industrial competitors.

John McDonnell: This is the slowest recovery in our history. The last time a date was put on it was 1066. The way in which we are recovering is on the basis of increased household debt, low incomes and insecure jobs. I do not think that any Government should be proud of that record.

Mr Alan Mak (Havant) (Con): Will the hon. Gentleman give way?

John McDonnell: Let me just finish another paragraph before I give way again.

A new set of rules for fiscal policy is needed. I know that some Members have questioned the need for fiscal rules at all. During the discussions on the Fiscal Responsibility Bill in early 2010, I recall the right hon. Member for Tatton (Mr Osborne), who was then shadow Chancellor, saying that the Bill was a "completely feeble stunt" and the

"biggest load of nonsense that this Government have had the audacity to bring to Parliament in this Session".—[*Official Report*, 5 January 2010; Vol. 503, c. 72.]

That was the then shadow Chancellor condemning Gordon Brown for having a fiscal rule. A short while later, when he became Chancellor of the Exchequer, he produced his own fiscal rule: the fiscal responsibility charter. He missed every target in his first charter, so he brought in a second one. He was on course to miss the targets in his second one, so he brought in a third.

Chris Philp (Croydon South) (Con): The shadow Chancellor has just questioned the performance of the economy under the fiscal rule, but is it not the case that the deficit fell from 11% to 4% of GDP, that the economy created 2.6 million jobs—more than in the rest of Europe put together—and that the employment rate increased by 4% and now stands at the highest level in our country's history? Is not that evidence that the approach of the last Government worked and should be continued?

John McDonnell: I remind the hon. Gentleman that under his own Government's fiscal rule, the deficit should have been completely eliminated last year, and debt should have dropped but it has increased. I will send him a reading list.

Mr Jim Cunningham (Coventry South) (Lab): When the Prime Minister was first elected last week, she said that she would govern for the many and not for the few. However, in response to questions today about the fact that poverty is affecting many people in this country, she gave the usual answer, which was that we have to have a strong economy. That suggests that she is departing from what she said in Downing Street a few days ago. Does my hon. Friend agree that this has been the longest recession resulting from punitive measures since the second world war? The second world war lasted for six years; this has lasted longer. It is brutal and it is punishing the needy in society.

John McDonnell: I was trying to take heart from the fact that when she spoke in Downing Street, the Prime Minister recognised just how divided Britain is between

[John McDonnell]

the wealthy and those at the sharpest end of the austerity measures. I was hoping that that would be translated into an acknowledgement today that the fiscal rule must go.

Several hon. Members *rose*—

John McDonnell: Can I just press on a bit further before I give way again? I am sure there will be plenty of time, Madam Deputy Speaker.

As I was saying, the former Chancellor missed every target in his first charter, so he brought in a second. He was on course to miss the targets in that second one, so he then brought in a third. In September last year, he presented his 2015 update. The current charter for budget responsibility sets targets for an overall balance on Government spending inside five years, with debt falling in each year of the Parliament. However, the Government knew last summer that the vast majority of economists who were asked had criticised the approach, as had the Treasury Committee. Almost without exception, the Labour party agreed with the macroeconomic profession that the approach was likely to prove misguided. We were defeated in the Lobbies that day, but our warnings have been proved prescient.

Mr Stewart Jackson (Peterborough) (Con): The shadow Chancellor will know that any critique of the Government should be accompanied by a coherent alternative strategy. On that basis, is he embarrassed that the Leader of the Opposition's economic adviser Richard Murphy described the Labour party's approach as having

"no policy direction, no messaging, no direction, no co-ordination, no nothing"?

John McDonnell: He is not the economic adviser and never has been, because we doubted his judgment, unfortunately. He is a tax accountant, not an adviser. He is actually excellent on tax evasion and tax avoidance, but he leaves a lot to be desired on macroeconomic policy.

Turning to the Government's performance, their charter for budget responsibility lacked credibility from the moment it passed into law and has now lost what shreds it retained this year. Since last September's debate, every target in the charter that could have been missed has been missed. By the time of the March Budget, the OBR announced that the Government were on track to miss their target for the welfare cap for every year of this Parliament. The charter also insisted that the debt to GDP ratio would fall in each year of this Parliament, but the OBR said in March:

"We now expect the debt-to-GDP ratio to rise between 2014-15 and 2015-16".

The Government managed to stay on target for its 2020 surplus only through some accountancy that might best be described as imaginative. The writing was already on the wall and then in June the then Chancellor used the backdrop of his fiscal charter as the pretext for threatening British people with a further austerity Budget should they vote to leave the EU.

Alex Cunningham (Stockton North) (Lab): This is all very technical, but politics is about people. I was told today that unemployment in my constituency is higher

than it was this time last year and remains more than double the UK average. Stockton Council, the Tees Valley local enterprise partnership and local companies are doing their bit, but our people are suffering more under the Government's austerity measures. Is it not time that the Government looked again at council and development budgets and based them on the real needs of our communities?

John McDonnell: Saying that the fiscal charter is a technical matter is a good point, but it is the foundation upon which these poor—to say the least—decisions are being made, and a lack of investment is the result.

Following the vote to leave the EU, despite the threat of a punishment Budget we have seen an entirely predictable U-turn. No punishment Budget is scheduled and we have been told by both the old and new Chancellors that one will not happen and that, on the contrary, we must be realistic and accept that the deficit will not be gone by 2020, as predicted by the charter. From the responses at Prime Minister's questions, it seems as though the surplus target for 2019-20 has now been dropped or has at least slipped to some unknown date in the future. Let us be clear: the Conservatives claimed that their approach would eliminate the deficit in five years, but it will not have happened after 10 years. Three targets set—every target missed. The 2015 charter appears to be dead in the water.

Lucy Frazer (South East Cambridgeshire) (Con): The hon. Gentleman is being generous with his time. Does he agree that it is appropriate to have a fiscal charter as a matter of principle? Strong economies, such as those of Germany, Austria and Switzerland, all have such a rule.

John McDonnell: Of course. That is why we support a fiscal charter approach and have produced a realistic one—fiscal charters must be realistic. If the Government set targets and then miss the three that they set themselves, that undermines the credibility of the Government's economic policy making.

The only hope of rescuing the existing charter is by activating its knockout clause, which the Chancellor referred to in an earlier speech. To remind hon. Members, if growth has been below 1%, is below 1% or is forecast by the OBR to be below 1% on a rolling four-quarter by four-quarter basis, the charter's targets can be suspended. The problem is that the OBR recently announced that it will not release new projections until later this year, so we remain in the dark about whether the charter targets are still in operation. In the absence of evidence to the contrary, we can only assume that the charter still holds. That means Departments and other public agencies are operating under the old rules; they are still implementing planned spending cuts and still holding back investment decisions. It is essential for the wellbeing of this country that the House repeals the updated charter, because as it stands the charter still requires achieving a surplus, which we all know is impossible to achieve, as I believe the Prime Minister admitted today.

Andrew Gwynne (Denton and Reddish) (Lab): One flaw in the current charter is that it is all about the supply side—reducing welfare costs, reducing debt and eliminating the deficit. What this economy needs at this

moment in time is investment. We need investment in infrastructure and in skills, and we need investment in the future.

John McDonnell: As always, my hon. Friend is spot on. We are on the same page as almost every organisation that has an interest in the economy in this country: the CBI; the Federation of Small Businesses; the British Chambers of Commerce; and the TUC. All of them are saying exactly as he has said.

Mr Mak: Controlling welfare spending has been a key element of this Government's economic plan and has helped to make the fiscal charter a reality. How would the hon. Gentleman plug the black hole? Would he raise taxes, raid pensions or print more money?

John McDonnell: The problem with the hon. Gentleman's contention is that we were told the way to control welfare spending was to introduce a welfare cap, and this was part of the charter. The Government have now breached that charter consistently and are forecast to breach it in every year throughout their Administration. The point I am making is that the fiscal charter is almost redundant now, because it is so ineffective. Housing benefit did rocket, but the way to control welfare is by building council homes again, so we are not pouring money into the pockets of private rented landlords.

David Rutley (Macclesfield) (Con) rose—

John McDonnell: Let me just press on; I commit to coming back to the hon. Gentleman. Madam Deputy Speaker might get a bit hot if I continue to take too many interventions.

Households and businesses up and down the country need clarity and guidance, and it would be irresponsible to leave them without guidance as to the Government's actions until the autumn. Waiting until October is a luxury this economy cannot afford, and Britain is on hold until the Chancellor makes his plans clear. Unfortunately, this is only the latest consequence of a shocking lack of planning by the Government for the eventuality of a leave vote. The then Chancellor said back in March that a credible blueprint was completely missing from the leave campaign, but a blueprint of any kind seemed to be missing from the entirety of the Government. The Chancellor must now take the necessary steps to give himself the freedom to invest in the economy, without being bound by a surplus rule he has conceded is likely to be ditched in the autumn in any case.

David Rutley: I very much hope that Madam Deputy Speaker is not too hot at this point in time. The hon. Gentleman is trying his best to put forward his arguments, but his approach completely lacks credibility—he has not even brought any Labour Members in to support him today. Is the truth not that even two Eds were better than none?

John McDonnell: I will have to watch my language, Madam Deputy Speaker. Let me say to the hon. Gentleman that when someone is going to crack a joke in this place—I know this because I have failed so often—it is best that they get the script right. As for Labour Members, the message has come across in every debate we have had, consistently since September, including today, that

this is about the difference between having a fiscal charter that allows us to invest and one that does not. It is as simple as that. I respect his views and I have listened to his contributions in the past, but on this issue I believe that even those on his own side are beginning to move.

Britain is on hold until the Chancellor makes his plans, because, unfortunately, as I said, this is not the only consequence of the lack of planning. I say to Conservative Members that it is important now that we recognise the decisions that have to be made as soon as possible, particularly on the surplus rule. We already know about the black hole in March's Budget brought about by the Government's U-turn on personal independence payments, but following the leave vote, the former Chancellor also announced plans to reduce corporation tax to below 15%. That is a significant fiscal announcement. According to the ready reckoner of Her Majesty's Revenue and Customs, by the time it takes full effect it could mean an enormous additional £4 billion giveaway by the Treasury. This is money that could otherwise be spent on public services. It would be useful to know today whether the successor Chancellor is planning to be similarly generous to large corporations and whether the reduction to 15% is still part of the Government's plans.

Lucy Frazer: I thank the hon. Gentleman for giving way yet again. He has mentioned a couple of times that Britain is on hold, but just this week SoftBank bought ARM Holdings, a company in Cambridgeshire that spans my constituency, for £24 billion, which shows that Britain is still open for business. People still very much want to invest here, and there is nothing in the economy on hold.

John McDonnell: I will come on to that, but I have to say that there are some concerns about the sale of British assets, and I am simply echoing what the Prime Minister herself said only a few weeks ago.

Alex Cunningham: Energy-intensive industries are also concerned about the lack of planning in the country. They are extremely anxious about the future of emissions trading schemes inside and outside the EU, and many are desperate for British Government action to ensure that they can stay in business in the longer term. They want action on crippling carbon taxes now, and after we leave the EU. Does my hon. Friend agree that the Government must address these issues, and that it is time the Chancellor made a commitment to champion and help to finance carbon capture and storage?

John McDonnell: I am sure that those on the Treasury Bench were listening to that. The Chancellor has a long list of issues that he needs to address to give some certainty, certainly if we are to see long-term investment in such things. I share my hon. Friend's views: there is too much uncertainty with regard to a whole range of taxation and support initiatives from the Government. To be frank, it is jeopardising jobs as well as the future of our planet.

Mr MacNeil: We have been hearing this refrain that Britain is not on hold and that things are happening, but they are not. Britain is very much on hold. It is

[Mr Angus Brendan MacNeil]

actually worse than that, as we see if we look at our neighbours. The hon. Gentleman might remember how, a number of years ago, this House mocked both Iceland and Ireland. It does not say much about them now when Ireland has treble the growth of the United Kingdom and Iceland double the growth. On a recent visit to the Central Bank of Ireland, I was told that the economy had grown so fast that it needed to be slowed down, and that it needed migrants to fill its jobs. These are economies that were once mocked in the United Kingdom and that are now very much laughing quietly to themselves as they speed into the sunset.

John McDonnell: I think the argument is sound. Until we obtain a fiscal rule that reflects the reality of our economy and our future, we will not return to the dynamism that is needed to restore growth and to ensure that we have wages and jobs that are beneficial to the community overall rather than the low paid and insecure work that we have at the moment.

Let me press on, because I do not want to strain your patience, Madam Deputy Speaker. It is not just Members on these Benches who believe that the fiscal rules adopted by the Government are not fit for purpose. The former Secretary of State for Work and Pensions, the right hon. Member for Preseli Pembrokeshire (Stephen Crabb), called for a £100 billion infrastructure fund to invest in schools and housing. The Secretary of State for Communities and Local Government called for tax cuts across the board and spoke about a Growing Britain fund, funded by more borrowing. The new Prime Minister repeated today the need to abandon the surplus target—perhaps to let it slip. The Secretary of State for Environment, Food and Rural Affairs spoke about the need for “prosperity, not austerity”. We welcome all those conversions to our line of argument, but none of this can be achieved within the confines of the charter as it now stands until the Office for Budget Responsibility advises otherwise.

We saw the consequences of the policies based on the old fiscal framework yesterday in a report from the independent Institute for Fiscal Studies. Let me just remind Members what the report said: the incomes of young people are still 7% below where they were before the financial crisis, and the incomes of those in their 30s, 40s and 50s have remained stagnant. Andy Haldane, the chief economist at the Bank of England, has spoken about a “lost decade” for earnings. McKinsey reports that four fifths of households have seen either no improvement or falling earnings. That is what we have to show for the year of fiscal rules from the former Chancellor. There is a consensus now across the country, from the TUC to the CBI, that investment is needed. Earlier this year the IMF told the Government that it had no objections on the grounds of fiscal responsibility to the Government undertaking more investment. The OECD agrees, but until the OBR gives permission to suspend the surplus rule, the Chancellor is constrained by his own rules.

The Government’s current plans for public sector net investment for the rest of this Parliament are for it to fall in each year, from £36.4 billion this year to £32.1 billion in 2019-20. Of course, we do not expect a full Budget now, but the least we need is a commitment to recognise

the changed times that we are living in. The uncertainty about public investment comes on top of uncertainty about the structural funds for regions—which are set to lose up to £10 billion if we leave the EU—and further uncertainty for those reliant on projects funded by the European Investment Bank. I repeat that it is essential that, as a minimum, there is a guarantee from the Government soon to protect these funds in some form on an equivalent level.

There is an alternative; there has always been an alternative. Members of the Government Front-Bench team now see it, in part. Opposition Members have said so for some time. There is an alternative based upon investing in the future, growing the economy and allowing fiscal policy to work hand in hand with monetary policy. Professor Mariana Mazzucato has argued for the need for long-term, patient investment. We support that. It is true that the sale of ARM Holdings to SoftBank indicates that there is potential for new industries and innovation, but that potential needs long-term financing, which includes Government investment in infrastructure and research.

After the leave vote, more forecasters have cut their growth forecast. The IMF has joined them. Yesterday it revised down its prognosis for next year from 2.1% to 0.8%. With the current account deficit having hit record highs in the past year—in the most recent figures, it stands at 6.5%—our plan for the future cannot just be to fund that indefinitely with more overseas sales, such as that of ARM. We hope that the Chancellor will heed those who are calling for a much needed and eminently affordable change of direction.

It is a tragedy for this country that the Conservatives have only noticed that there is an alternative as a result of the leave vote, which I fear they helped to bring about. I announced on Monday that the Labour party supports a large programme of investment and will support the Government in a large programme of investment.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): It was only a year ago that the hon. Gentleman was telling the media that he supported George Osborne’s austerity charter. He has changed his mind and I welcome that U-turn, but more than 20 Labour MPs voted for the charter. Not a single SNP MP has voted for austerity. When will the people of the UK see a unified position against austerity across the Labour Benches, or can we in the SNP expect to continue ad infinitum as the only credible opposition to Tory austerity?

John McDonnell: Good try. Initially last year I thought the fiscal charter was so ludicrous that I was just going to rubbish it or ignore it. Then, as people remember, I made a U-turn because I thought we could defeat it, because we had virtually all the Labour party and others demonstrating that it was ludicrous. We predicted that every target set in the fiscal charter would be missed, and we were right. The Labour party is an anti-austerity party. We will campaign against austerity, but more importantly now, we are campaigning for a long-term future plan of investment.

I think we are winning the argument right across the piece. As I said, from partners in industry and across the political parties—even in the Conservative party now, as we saw in the leadership campaign—there are

voices calling for hundreds of billions of pounds of investment. We are winning that argument. The problem is now that we need decisive change from Government with regard to the fiscal rule; otherwise Britain will remain on hold.

Mr Jim Cunningham: I am sure that one of the things that my hon. Friend learned, as I did, during the referendum was that, as I mentioned, the British people have had enough of austerity. They want politics to change. They want investment. Some of my hon. Friends have mentioned the areas of investment. It is important that we learn the lesson of the referendum—that people have had enough of austerity.

John McDonnell: Many voted to leave on the basis that they and their towns and regions felt left behind as a result of seven years of austerity, which have brought about high levels of poverty, lack of investment, and low-paid jobs and insecure jobs. As a result, I think there was an expression of anger in the referendum about a whole range of issues. People were saying to the Government, “We’re not satisfied with your performance, we’re not satisfied with the way we are being governed and we want change.”

James Cartlidge (South Suffolk) (Con): There is something in what the hon. Gentleman says, and there are parts of the country that clearly felt angry and left out, but I found that, overwhelmingly, the reason why people were going to vote to leave was their concern about immigration. My understanding is that he supports limitless immigration—not putting controls on it—and that matters if he is going to bring the Brexit debate up in his speech.

John McDonnell: Let us be clear, because it is best not to exaggerate people’s positions. I think the response on immigration was a response to the concerns people had about the undercutting of wages, the pressure on public services and so on. That is why, on the development of the free movement of people, we have always argued—particularly from the Opposition side—that we should ensure there are sufficient controls, but also mechanisms to prevent the undermining of wages. That is why the last Labour Government—I praise them for this—set up a fund to alleviate the pressure on public services. I think a whole batch of grievances was wrapped up in the vote, and we have to learn from that.

One of the key grievances, as my hon. Friend the Member for Coventry South (Mr Cunningham) said, was the impact of austerity on people’s daily lives, which is caused by the adherence to a fiscal rule that we now know is virtually bankrupt and having counter-productive implications for our economy by holding back the investment that many people—even on the Government side—now feel is needed.

Lucy Frazer: Will the hon. Gentleman give way?

John McDonnell: Would the hon. and learned Lady allow me to finish? I have taken several interventions, and she will be able to speak. [*Interruption.*] Oh, go on.

Lucy Frazer: I am very grateful to the hon. Gentleman for giving way—he is being very generous. He said there are a number of alternatives to the position the Conservative

Government put forward. He also said in answer to an earlier intervention that he accepts there should be some sort of fiscal rule. Will he tell the House when Labour would return our budget to a surplus?

John McDonnell: Let me outline Labour’s fiscal credibility rule, which we set out a number of months ago. We said that we would have a forward-looking target to achieve a cyclically adjusted current balance by the end of a rolling five-year forecast period. Why? Because that gives us the flexibility to adjust to shocks such as the one we have seen. Capital expenditure would be excluded from the deficit target in order that the Government can invest for higher growth. The contentious issue last September was that the then Chancellor included capital investment in the overall fiscal rule, which held back investment, and that is why we have seen the figures for Government investment falling. Debt as a proportion of potential GDP would be lower at the end of each five-year Parliament than at the start. Again, that gives an element of discipline.

However, we also make the point that when conventional monetary policy is hampered by the lower bound to interest rates, the rules will be suspended in order that fiscal policy can then work, but we have suggested that the Monetary Policy Committee should be the determinant of that. Why is that more flexible than the existing rule? It is because, as we have seen, the Office for Budget Responsibility, for example, is not going to report until the autumn, but the Monetary Policy Committee meets monthly, so that will give us more flexibility. In our credibility rule, we also said that the OBR would be responsible to Parliament, with a clear mandate to blow the whistle on any Government breaching those rules, so that gives an element of independence. It is a fiscal rule, but a credible one. If it was operating now, we would be abiding by it, and we would be investing for the future.

Let me press on to the end. We hope the Chancellor will heed those who call for a much needed and eminently affordable change in direction. It is a tragedy for this country that the Conservative party has come to notice that alternative only as a result of the leave vote. As I said, I announced on Monday that we would support a large programme of investment to help to ensure that the potential of our economy is met. We proposed a national investment bank, which would help to boost investment across the country, ensuring that no community is left behind.

In conclusion, Labour will do all it can to ensure that the price of any negative shocks from the leave vote will not be paid by working people in any part of the country. In March, we saw the fastest unravelling of a Budget almost in living history. Now, the entire fiscal approach, as underpinned by the current charter, has collapsed in almost a year. The Government’s economic credibility faces nothing less than a catastrophe unless they rise to the challenge.

We cannot wait for the OBR to report in due course that there has been a negative shock and that the targets are suspended. To be frank, the mandate as it stands is shredded and must go. There is no credible option left to the Chancellor but to undo what should never have been done, to put right his predecessor’s mistakes, to repeal the charter and to support this motion, bringing

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forward an alternative that provides the basis for the stabilisation of the UK economy and the provision, above all else, for long-term investment in growth.

5.15 pm

The Chief Secretary to the Treasury (Mr David Gauke):

This Government have been clear that we will not waver in our determination to take every opportunity to stabilise and strengthen the British economy. Ever since we were elected in 2010, we have been resolute in carrying out our plan to build a more resilient economy—one where we invest in our future growth; one where we return the public finances to a sustainable position; and, therefore, one where we are ready for whatever comes our way.

It has not always been an easy course to follow. The Government and the British people have worked hard to fix the public finances. We have had to make tough choices and difficult decisions.

We can be proud of what we have all achieved over the past six years. We have brought down the deficit by almost two thirds from its post-war peak in 2009-10. We have the highest employment on record and the lowest rate of unemployment in more than a decade. There are almost 1 million new businesses in our country since 2010 and, working with the Bank of England, we have strengthened the financial system. That is a long way to have come.

The second thing that we can all be proud of are the strengths that we still have in this country. We are still one of the best places in the world to do business, one of the best places in the world to invest, and one of the most innovative, forward facing and outward-facing countries in the world.

It is because of that hard-won recovery, and because of our hard-working families and businesses and the enduring strengths that we still have here in the UK, that we are all now in a position, and are as ready as we could possibly be, to see out whatever challenges come our way next.

Jeremy Quin: On the question of the UK being a great place to do business, does my right hon. Friend agree that cutting corporation tax, which was referred to by the proposer of the motion, is a very positive sign and a way of attracting businesses to locate and invest in this country?

Mr Gauke: I completely agree with my hon. Friend. Our record on corporation tax—we cut it from 28% in 2010, it is now 20%, and we have legislated to reduce it to 17%—has made the UK much more attractive. The likes of the OECD have made it clear that corporation tax is one of the most distorting and, therefore, least growth-friendly taxes. The fact that we have moved so dramatically in this era—during which we have also put the public finances on a sounder footing—to make our business taxes much stronger puts us in a much stronger position than we would otherwise be. It is striking that, in survey after survey of international businesses, the position of the UK has improved in terms of our reputation as a place to do business. In particular, our tax reforms have helped attract investment here. I know from the meetings that I have had with international

businesses when they are choosing where to locate activity that the fact that our corporation tax regime is more competitive is a factor that helps to drive investment to the UK.

Alongside that, we have taken significant steps to ensure that the international tax system is such that businesses pay the taxes that are due, but it is absolutely right that the UK positions itself as a more competitive place, and that is what we have done.

John McDonnell: For clarification—I raised this in my speech—is it still Government policy and in their plans to move towards 15%?

Mr Gauke: The Chancellor has made it clear that he will look at all the options when it comes to the autumn statement. It is the case that we have legislated to move to 17%, and it continues to be the case that we want to send out a signal that the UK is open for business and that we will still have a competitive tax system. My hon. Friend the Member for Horsham (Jeremy Quin) has already raised that important point. The precise policies we will follow at the autumn statement are a matter for the Chancellor to announce then, but Government Members are united in our belief that the steps we have taken on corporation tax have made us much better prepared for the uncertainties of the future.

Alex Cunningham: I welcome the right hon. Gentleman to his position. I also welcome the Financial Secretary to her position, and I believe that the Exchequer's gain is the Department of Health's loss. The Chief Secretary talks about this country being the place to do business. He heard me talk about carbon capture and storage in an earlier intervention. Will the Government now commit to doing more to help energy-intensive industries—with energy costs, but also by dealing with some of the carbon taxes they face—and commit to greater support for carbon capture and storage?

Mr Gauke: I entirely agree, in relation to my hon. Friend the Financial Secretary, that the Treasury's gain is the Department of Health's loss. I will not pre-empt any autumn statement announcements on energy-intensive industries or any other area. I would point to the steps we have taken as a Government to help energy-intensive industries. We have responded to the points made to us by that sector with support for energy costs and so on. No doubt, the hon. Gentleman will continue to make his case on behalf of those industries.

James Cartlidge: I want to follow up the point made by my hon. Friend the Member for Horsham (Jeremy Quin). On cutting corporation tax, does the Chief Secretary not agree that the key point is that, although many people are calling for huge investment programmes by the Government, the investment we need must come from the private sector, and that if the private sector pays less tax, it will invest more?

Mr Gauke: My hon. Friend makes a very important point. In particular, in the context of corporation tax—after all, it is a tax on profits and on the return on investment—if we lower the rate and increase the return on investment, we would expect, all other things being equal, to see an increase in investment by such companies. In recent years, we have seen increases in business investment and

in foreign direct investment. I would argue that we face some immediate challenges as a consequence of the Brexit vote, but I remain convinced—the evidence is very strong—that the steps we have taken on corporation tax will ensure that we are better prepared than we would otherwise have been.

In the context of the challenges we face, whatever one's views—remain or leave—I think everyone predicted that a vote to leave would result in some short-term turbulence in our economy. As the Prime Minister has rightly said, Brexit means Brexit, but we have to get through this immediate period, in which some of the risks that exist will crystallise. Since the referendum, the value of our currency has dropped by a tenth compared with the dollar, and independent commentators expect to see a general slowing of investment, exports and business decisions. However, if we do all we can to stabilise our economy and set it back on a clear path, I believe we can prosper in the new circumstances.

Andrew Gwynne: Are we not missing a trick here? The Chief Secretary will know that bond yields are at an all-time low. Private sector growth is not as strong as it perhaps ought to be. There are really good projects that are ready to be invested in and there are companies that are desperate for investment. Is it not now time for the Government to redouble their efforts to refocus their economic policy on a proper programme of investment in growth?

Mr Gauke: I do not think the hon. Gentleman gives the Government the credit we are due for what we are doing on infrastructure. I understand the argument that we need to do more to improve our infrastructure, but let us remember what we have done: more than a quarter of a trillion pounds has been invested in infrastructure since 2010, the average annual investment in the last Parliament was 17% higher than in the preceding one and we have set out plans to invest more than £100 billion in infrastructure by the end of this Parliament.

We are taking measures on infrastructure, but we must put those in context. We also have to ensure that we have sound public finances. The immediate response to the shock of leaving the European Union has to be to work closely with the Bank of England as it carries out its role of providing stability and confidence in our economy. Monetary policy should be the first means of response to an economic shock such as this. We will use the summer period ahead to assess the situation, based on the economic data, and come the autumn we will report back to the House, setting out how we will respond on spending and taxation.

Let me be clear with the House: we continue to believe in fiscal responsibility. This country should not, as it did in the earlier part of this century, make itself vulnerable to economic shocks by letting public spending get out of control. As the Chancellor has made clear—and, indeed, as the previous Chancellor, my right hon. Friend the Member for Tatton (Mr Osborne), made clear—our target to reach a surplus by 2019-20 should not be sought in the economic circumstances we now face.

As hon. Members know, our fiscal plans to reach a surplus always came with a clear caveat: if our economic circumstances were to alter significantly and the independent Office for Budget Responsibility were to forecast less

than 1% real growth on a rolling four quarter on four quarter basis, that target would be reviewed. With expert forecasters suggesting that we are highly likely to see that risk to our growth crystallise in the time ahead, we have announced that we will no longer seek to bring the budget into balance by 2019-20. As the Chancellor has said to the House, that does not mean that we can go forward without a clear framework for achieving fiscal balance over an appropriate timeframe. We will address that issue in the autumn statement.

I hear the argument that we should go for growth, but fiscal responsibility does not preclude our achieving economic growth. As has been pointed out in this debate, the UK has grown pretty well as strongly as any other major western economy over the past six years, even though we have undertaken a period of getting the public finances under control. The idea that there is a straightforward tension between economic growth and fiscal responsibility simply is not true. Indeed, it is by pursuing a policy of fiscal stability that we have maintained the confidence not just of the markets, as a consequence of which our gilt rates are lower than they would otherwise be, but of the general public, who know that in the end, if we keep borrowing and keep borrowing and keep borrowing, they will have to pick up the tab.

Stewart Hosie (Dundee East) (SNP): For the sake of completeness, the Chief Secretary will probably want to thank the central Bank for its quantitative easing programme—flooding the market with money by buying Government gilts—because that is a substantial reason for the very low yields the market is seeing.

Mr Gauke: I understand the point that the hon. Gentleman is making about gilt yields, but none the less the Government's credibility because of our determination to address the public finances—with a degree of pragmatism on timing that I fully acknowledge—has helped to ensure that the UK has not been drawn into a sovereign debt crisis or indeed anything like one. That is a significant achievement for this country.

Rob Marris (Wolverhampton South West) (Lab): I congratulate the right hon. Gentleman on his well-deserved promotion. The employment figures are fantastic and what the Government have done on tax avoidance is very laudable, but before he gets too self-congratulatory I caution him to bear in mind that we have had six years of falling living standards, with a bubble of household debt and a house price bubble; and in those six years the national debt has gone up by 60%. As my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) said, we need capital stimulation through the state spending money, on house building in particular. That is politically acceptable to the vast majority of the population of the United Kingdom, because we would have council houses owned by the state—the state would be borrowing money to invest in bricks and mortar, just as everyone else in this country does if they can buy their own house. The national debt is up 60% and we do not have a lot to show for that; let us put it up a bit higher while interest rates are low and have some houses to show for it.

Mr Gauke: There are those who will argue, in the light of Brexit, that we should not worry about borrowing and debt. They are usually—not always, and I certainly

[Mr Gauke]

exclude the hon. Gentleman from this—the same people who have argued consistently for the past 10 years that we should not worry about borrowing and debt; it is the reasons that have tended to change. First, they argued that we need not worry about borrowing because the business cycle had been abolished and there would be no downturn, so that was all right. Then their argument was that we should borrow because we needed a fiscal stimulus, and then because gilt rates were so low. But with debt last year at almost 84% of our GDP, maintaining fiscal credibility must absolutely remain our priority. If we had not taken the measures we have on public finance over the past few years, we would be in a far worse position still. Analysis shows that from 2010 to 2020, if the structural deficit had remained the same we would have borrowed an additional £930 billion. That is a huge sum to add to our current debt total.

We have already set out our plans for finding departmental savings and in my new role I will be working closely with my fellow Ministers to make sure we stick to those plans. We have a strong record on delivering such commitments—we have done so every single year we have been in government, and we are not going to let up in our efforts now.

I am also determined to look at what further scope there is for delivering the value for money that the taxpayer deserves. I have spent the past six years working hard to make sure we get the tax revenues in, so am not about to see those revenues spent without delivering as much for our money as possible. I will therefore also take forward our work on finding further efficiencies across the public sector. That work was announced at the last Budget and I will be taking it forward straightaway, to explore all avenues for making innovations, finding reforms and saving time and money across the public sector.

This is without doubt a time of considerable uncertainty. That has its own implications for the current stability of our economy. We anticipated short-term turbulence in the event of a decision to leave the European Union, and that has been reflected in the economic developments that have unfolded. It is clear that we must pursue policies that help us grow in the future. That means pursuing pro-business tax policies, improving our skills and our infrastructure, and looking out to the world, enabling us to trade and benefit from globalisation, as there are real signs of opportunities ahead from such an outward-facing approach.

Mr Mak: I congratulate the Chief Secretary to the Treasury and the Financial Secretary on their promotions. Does my right hon. Friend join me in welcoming the Prime Minister's proposals for infrastructure bonds, which will boost economic growth and give the country vital infrastructure?

Mr Gauke: My hon. Friend raises an important point about how the Government are doing all they can to support infrastructure in this country. As I said, we have a proud record on that, and an infrastructure pipeline worth, I think, £480 billion. We have taken steps to reform our planning system to help infrastructure, and established the National Infrastructure Commission. My hon. Friend is right to highlight the proposals set out by the Prime Minister in that area.

We can take measures to help improve infrastructure in this country, but all measures to help growth—whether our outward-looking approach to trade, our pro-business tax policies, or improving infrastructure or skills—can and must go hand in hand with the need to take our public finances seriously, and the Government will pursue that balanced approach.

What we hear from the Labour party continues to be unbalanced, and there is a failure to take into account the need for credibility with the public finances. Labour may have changed a lot of its personnel, but I fear that there is a degree of continuity in the failure to face up to challenges in the public finances, and the motion reflects that. I therefore urge the House to oppose the case for fiscal indiscipline that we have heard today, and to oppose the motion before us.

5.36 pm

Stewart Hosie (Dundee East) (SNP): I am glad that the Minister mentioned short-term turbulence as a result of the Brexit decision—the Chancellor has already spoken about that. The Minister is a pragmatic politician, so if that short-term turbulence turns into medium or long-term problems in two, five or 10 years—not least because of the absence of trade deals with the world's biggest trading bloc—I hope that he will turn on the pragmatic tap even more strongly than he has perhaps tried to do in the Treasury so far.

This debate is about the fiscal charter, so I will run through a small bit of history and make some other comments. When the coalition Government first introduced the charter for budget responsibility, the fiscal mandate was for a cyclically adjusted current budget to be balanced by the fifth year of a forward-looking forecast period—that was similar to the plan laid out by the Labour shadow Chancellor earlier. As the Library has helpfully pointed out—it has helped a great deal with this debate—that plan was shortened to the third year of the forecast period in the December 2014 charter update. That also focused on the current balance, which is the difference between Government revenue and current, rather than capital, expenditure. Focusing on the current Budget was designed, at least on paper, to protect public sector capital investment, which is important.

A number of speakers have mentioned capital investment today, but the real problem is that capital expenditure forecasts, and real capital investment, have been rising and falling over the past few years like a yo-yo. There is concern that the National Infrastructure Commission was designed not so much to facilitate investment and drive it on, but rather to delay some of it further—but I digress.

The previous mandate used a measure of the budget balance adjusted for the economic cycle to allow the flexibility to run a deficit during recessions and a surplus during booms. The fiscal mandate was accompanied by a supplementary debt target. Originally that was for public sector net debt to fall as a share of GDP in 2015-16, but that was moved to 2016-17 in the December 2014 update. That target, of course, was not met—one of a number of broken promises by the Government in the previous Parliament, in which debt, deficit and borrowing targets all failed to be delivered as promised in 2010.

That brings us to the current charter for budget responsibility and the fiscal mandate. The charter sets out the OBR's role, how it performs its duties, and the

required content of its publications. It lays out the Government's fiscal mandate, supplementary debt target, and essentially the cap on welfare spending. The OBR assesses and reports on progress against those targets in the economic and fiscal outlook. Just in case anyone has forgotten, the current fiscal mandate target is for the public sector's overall budget—public sector net borrowing—to be in surplus by 2019-20. Once a surplus has been reached, the target is for a surplus to be achieved every year. Frankly, that is impossible if we are to manage the economy in a sensible way. The other target is the supplementary debt target, where until 2019-20 the fiscal mandate will be supplemented with a target for public sector net debt to fall as a percentage of GDP in each year. Those targets, as the Chief Secretary said, will apply unless the OBR assesses there has been a significant negative shock. That is, in effect, where we are today.

If annual real growth in the economy is less than 1%, the OBR will judge there to have been a significant economic or negative shock and the economy will be out of what it calls "normal times". If the OBR judges that a negative shock has occurred or will occur, fiscal targets will be suspended. That is the nub of the problem with these rules. If the OBR looks backwards over a 12-month period before confirming that growth was less than 1%, that might mean that changes to monetary or fiscal policy may not be delivered or enacted as quickly as they should have been to minimise the problems of a slowing economy. Likewise, if the future forecasts are overly optimistic—quite a common phenomenon in this place—necessary changes to fiscal or monetary policy required to protect jobs and growth might be delayed longer than they should be. In essence, the charter and the rules are a policy for inertia, rather than a policy for action.

Part of the charter requirements are that, should the rules be suspended, the Treasury must set out a plan to return the budget to surplus, including temporary fiscal targets. That plan must be approved by a vote in the House of Commons. One of the last acts of the previous Chancellor was to appear to suggest a suspension of the rules. I think he said—the Chief Secretary can correct me if I am paraphrasing this incorrectly—that the automatic stabilisers would be allowed to function and that corporation tax would be subject, potentially, to deep cuts. If that was the plan, it was not very detailed. I have not yet heard of any temporary targets and Parliament has not yet voted. We are about to go into recess and there is no vote on the horizon. I think that that tells us all that the charter is not fit for purpose and that the rules in place for when promised targets fail are not even remotely being adhered to. It would be better, I think, not simply to suspend the charter, but to rip it up and start again. I am rather less concerned with a plan and a charter to deliver an arbitrary surplus. More important is a plan to deliver real economic growth.

It is worth pointing out that over the past six decades or more, budget deficits have been the norm. Surpluses have been very rare. Since 1955-56, the UK's public sector budget has been in surplus for only eight years. The last surplus was 15 years ago. The OBR suggested that the UK was set to return to surplus by the end of the decade, but that now looks unachievable—another broken promise. There is, however, a bigger problem than a surplus rule, which the OBR described, in civil service code, as

"ambitious relative to the fiscal performance of past governments".

I will translate that, Mr Deputy Speaker: it means the Government will not meet their targets. The bigger problem is that it is designed to suck consumption out of the economy before recovery is secured. The scale of that, even as recently as the 2016 Red Book, is breathtaking: not just cutting £10 billion a year more than is necessary to run a balanced economy, but by 2020-21 cutting spending by £50 billion a year more than is necessary to run a balanced current budget.

We know where the cost of this austerity falls: it falls on the poorest in society. How do we know that? The Government have told us. As the cuts and tax rises have risen, so has the ratio of cuts to tax rises, placing the burden of austerity and an arbitrary fiscal target squarely on the backs of the poorest.

This mandate is now collapsing around the Government's feet, along with the much-vaunted and never-delivered long-term economic plan—a plan that is a bit like a unicorn: everybody knows what it looks like but no one has ever actually seen it. [*Laughter.*] I used that in a previous speech, but I did not get a laugh that time. It has been said that fiscal rules can be applied in other ways, but the previous Chancellor and, I presume, the current one believe that the current level of public sector debt is too high and that running a budget surplus is the only reliable way to reduce it.

The Treasury Bench has argued that high levels of debt are too risky and too damaging for the UK, leave the UK vulnerable to future economic shocks and squeeze out other public spending through high debt interest payments. At face value that is fine, but there are other credible and fiscally responsible ways in which the deficit can come down and debt can fall as a share of GDP.

James Cartlidge: The hon. Gentleman is making a detailed and, in his own way, cogent argument, but—[*Laughter.*] It was meant to be a compliment. The key word, however, is "investment", and my view is that investment needs to come primarily from the private sector. He talks about the benefits of getting debt down. Surely one of the key benefits is the confidence it builds in the economy among those big international companies that we want to invest in the UK.

Stewart Hosie: I agree that confidence will come from a reduction in debt as a share of GDP and a real reduction in the deficit, and I have no aversion whatsoever to genuine, substantial private sector investment. Unfortunately, in the current climate, because of the Brexit decision, there is a bit of a hiatus—substantial investment is being put on hold and might be lost. Trust me, in the competitive international world, every other country in Europe will be saying, "See that £10 billion you were putting into the UK—bring it here." They will be saying that in Germany and France, and when we are independent, we will be saying it in Scotland too. This is when the UK Government should be stepping in to make sure that any gap in essential investment is filled.

On the alternatives, others have pointed out that the UK can run deficits and allow the ratio of debt to GDP to drift down over time, arguing that the value of debt can be eroded through economic growth. We have not heard a lot about growth. For many years, the mantra from the Government was: growth alone will not solve the problem. I happen to agree, but there has been no

[Stewart Hosie]

plan for growth at all. Instead, we have had almost a fetish and obsession with austerity and cutting debt, irrespective of the growth consequences.

Jeremy Quin: The hon. Gentleman says he has not heard enough about growth. I will give him some stats. The IMF says that UK growth will be greater than that of Germany and France. They might well try to lure expenditure in their direction, but our growth is still exceeding that of our European partners.

Stewart Hosie: Growth in the UK exceeds that in other countries sometimes. It is higher than G7 averages sometimes; other times it is not. The most up-to-date forecast is for a likely cut in growth to 0.8% next year. That would be lamentable and unforgivable if it is avoidable.

My biggest problem with the charter is that the poor pay the price for this obsession with cuts. The fiscal charter was not delivered in isolation; it was delivered with a welfare cap limiting how much could be spent by Government on certain social security benefits over the rolling five-year forecast period. Performance is then assessed by the OBR, which reports at each autumn statement on whether the relevant welfare spending has met or exceeded the level of the cap. It is highly likely, as we have seen and heard and as the Government have effectively conceded, that the OBR will tell us that the cap has been breached and will continue to be so for the rest of the Parliament.

We have, therefore, a fiscal mandate designed to suck consumption out of the economy; a fiscal mandate driving £50 billion a year more in cuts by the end of the Parliament than is necessary to run a balanced current budget; a mandate that, in essence, delivers inertia and might delay the necessary fiscal and monetary policy steps required to maintain growth; and a fiscal mandate that is ripped up if it fails, without a new plan—which would be necessary—put in its place. That fiscal mandate, in essence, is simply not worth having, so we will vote for the Labour party's motion today. I would say to the Government, however, that they should suspend the fiscal charter, go for growth and build consensus on a charter or a mandate that has the confidence of politicians, the markets and the public.

5.50 pm

James Cartlidge (South Suffolk) (Con): It is a pleasure to be called to speak in this timely debate. Although the Chamber is not as full as it could be, this is an incredibly fundamental debate on the key issue of the moment.

I start by congratulating the Front-Bench team on their promotions, including my hon. Friend the Member for Battersea (Jane Ellison) as the new Financial Secretary and my right hon. Friend the Member for South West Hertfordshire (Mr Gauke) as Chief Secretary. I attended a school in Hertfordshire and represent a Suffolk constituency, while he represents a Hertfordshire constituency and was educated in Suffolk. The *East Anglian Daily Times* was particularly excited by his promotion as a son of Ipswich. I congratulate both of my colleagues again.

I am proud of this Government's economic record. As the Prime Minister said when she opened a fantastic performance at Prime Minister's questions today, we

have record employment once again, we have an 11-year low in unemployment at 4.9%, and we know that the deficit has been cut by two thirds—an incredibly significant achievement that cannot be underestimated. I was reassured by the Prime Minister when she said that we still aim to live within our means. That was her key point when asked about austerity by the Leader of the Opposition. I was reassured, too, by my right hon. Friend the Chief Secretary when he said that the Government are still committed to fiscal discipline, which is so important.

As both the shadow Chancellor and the shadow SNP spokesman have said, we have been looking at this change in the fiscal target as regards a surplus. As they said, the interim fiscal mandate was for the public sector's overall budget, more correctly known as the public sector net borrowing, to be in surplus by 2019-20 in normal times. That target was to apply unless the OBR assessed that there had been a significant negative shock. Understandably, therefore, there has been a lot of discussion about why this change, putting back the time for meeting this surplus, has come about. I found the Chief Secretary's explanation reassuring—and the word "reassurance" is key.

My understanding is that when the British people made the decision on Brexit, it was in many ways a shock for the country. Just as the Bank of England Governor came on our television screens to reassure, talking about the steps he would be prepared to take to ensure confidence was maintained in the UK economy, so has the Chancellor of the Exchequer come forward as a reassuring presence, saying that he is prepared to take any necessary steps. I view this as part of an overall package. As the Chief Secretary said, it is of course monetary policy that has the primary responsibility when there are shocks to the economy. We have heard about the possibility even of a cut in the base rate from 0.5% to 0.25%. I see the decision about the surplus as part of the reassurance that the Government are prepared to take steps and react to circumstances.

Stewart Hosie: The hon. Gentleman is absolutely right that monetary policy is the first port of call when there is a shock. If it were deemed to be necessary, however, to invoke some kind of fiscal measure—whether it be a stimulus or anything else—does not the hon. Gentleman agree with SNP Members that the rules are so flawed that we have to wait until the autumn before the Government can even get a green light to make fiscal policy changes that might be necessary now?

James Cartlidge: I agree on the importance of monetary policy, and once again the hon. Gentleman makes a cogent point in his own way. Fiscal policy has been compared to a blunt instrument. It is not easy for the Government and the Treasury suddenly to make things happen in the way the hon. Gentleman describes. We need to wait on the figures. I understand that there are reports in the media today that the Bank of England's agents have said it is business as normal out in the country despite Brexit, and I am very reassured by that. Let me be frank: I campaigned to remain. I was concerned about the economic impact of leaving, and I still am concerned. I always felt that the biggest potential impact would be on inward investment, but I think it will take time for us to see whether that is the case.

Dr Philippa Whitford (Central Ayrshire) (SNP): Is the hon. Gentleman not surprised, as I was, that the only body with a plan for Brexit was the Bank of England?

James Cartlidge: I will repeat the point. I think that monetary policy comes first in the present circumstances. I think that the Governor of the Bank of England is a very reassuring force in these times. He issued those warnings about Brexit because he was asked to state his opinion, and he stated it as honestly and transparently as he could. Once Brexit was the result—and it was a shock, as I think everyone concedes, even those who wanted Brexit passionately—he was a very reassuring presence for the Government.

As for fiscal policy, Opposition Members have mentioned measures such as huge amounts of investment. This may be only my personal view, but I would always emphasise that it is private sector investment that we should seek to drive, and a key part of that is the credibility of the Government's overall stance.

Jeremy Quin: We hear calls for a fiscal stimulus, and I recall that there were similar calls during the financial crisis. People demand shovel-ready infrastructure projects, saying, "Let's spend the money," but such things always take time. The idea that a magic tap can be turned on and immediately flood the economy with a fiscal stimulus is illusory, and that is why people turn to monetary policy first. There are those who get excited and say that we need the ability to change now, but I think that that is a delusion.

James Cartlidge: I agree with my hon. Friend, but I would make one point about shovel-ready projects. We have quite an advanced business plan for a Sudbury bypass. If the Government decide to go down the Keynesian route of looking for shovel-ready schemes, we are ready in South Suffolk, and we are waiting for the bypass for which we have been campaigning for many decades.

There is an aspect of the charter for budget responsibility that has not yet been mentioned during today's timely debate. The charter states:

"The Treasury's objectives for fiscal policy are to: ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider Government policy".

The phrase "promote intergenerational fairness" strikes me as incredibly important. I hope that my Whip will show me some intergenerational fairness, and allow me a couple more minutes. I will not be long.

We have had a Conservative leadership election, and we are still having a Labour leadership election, but, as far as I am aware, no one has debated the following facts. Our national debt stands at £1.65 trillion; according to the Institute of Economic Affairs, our liabilities amount to £5 trillion; and it is estimated that, by 2062, all pensioner benefits will cost £491 billion. I was going to say a lot more about that, and there is a lot more that needs to be debated, but I am getting the hint.

John McDonnell: More!

James Cartlidge: I will end with this point, which I think will interest the shadow Chancellor. In March 1997, two months before what was a considerable low

for our party, my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley) came up with a policy called Basic Pension Plus, and I still believe passionately that that is the direction in which our country should go. The cost of the state pension—which, after all, is only £119 a week—is crippling, and the cost of pensioner benefits is enormous.

We need to debate those matters. I simply make this appeal: I hope that when I have a chance to speak again—when we all do—we shall be able to talk openly about the huge liabilities and costs that we face. As it is, the charter is there, we have been debating it, and, as I have said, monetary policy is at the forefront.

5.58 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Given the huge amount of interest in this debate—*[Laughter]*—I shall try to be as brief as possible.

Let me begin by welcoming the Chief Secretary to his new post. I have always found him very courteous, extremely helpful, and irrepressibly optimistic about Government policy.

During his very interesting opening speech, the hon. Member for Hayes and Harlington (John McDonnell) made a number of references to fiscal rules, and that brought into my mind what I consider to be part of the problem with this whole debate. It is not so much about, "What are your rules?" It is a matter of, "Do you have an understanding of the nature of the economy that underpins any rules you may wish to set?" That is part of the problem.

I was also interested when the hon. Gentleman mentioned Andy Haldane of the Bank of England. I was at a speech Andy Haldane gave a few weeks ago, at which he pointed out that one of the things that had not been taken into account nearly enough was the nature of culture and behaviour in the financial area, and I would say in the economy as a whole.

I have a bee in my bonnet about the fact that much of the debate that happens in all parts of this House makes a fundamental assumption about the nature of economics today. It is broadly accepting of what many people would call neoclassical economics. That, to me, is a fundamental problem, and I will try briefly to explain why.

My critique of neoclassical economics is also based on what Andy Haldane talked about: an understanding of behaviour. Behaviour is fundamental to understanding economics. That has largely been lost in many of the analyses of the economy today.

As recently as 1 May this year, the distinguished Professor David Simpson wrote:

"Discontent with neoclassical economics has finally boiled over with the failure of Treasury civil servants and central bankers along with almost all academic economists to anticipate the largest recession since the 1930s, and the powerlessness of these policymakers in the face of the subsequent stagnation of output."

There, for me, is the rub: current dominant thinking has taken economics down a mechanistic cul-de-sac, where it is no longer the purpose of economics to say, "How are you going to ultimately affect people in our society?" Instead it is about some surrogate technical measures that can be conveniently measured by the mathematicians among the Treasury, but fundamentally classical economics was about people and the effect behaviour had on people through markets.

[Roger Mullin]

Economics should involve qualitative at least as much as quantitative change measures. A market economy needs to be understood as an evolutionary—a change—process. Its changing nature inspires innovation and change and thereby creates complexity. That essential feature of innovation, according to the late Tom Burns—which he called the application of novelty—finds however absolutely no place whatsoever within the current dominant tradition. We cannot accommodate these types of behavioural variance that do not lend themselves to linear algebra. Therefore, factors that are not easily measured are left out by Treasury economic models.

Indeed, as Mervyn King pointed out in his recent book, “The End of Alchemy”, things like the political decision to go ahead with monetary union in Europe in 1999 had profound effects on output and growth in the western world, yet found no place whatsoever in the economic forecasting models used by central bank policymakers. I would add therefore that Government models of the economy are singularly ill-equipped to model the impact of Brexit. Hence, all the uncertainty we face today.

Sometimes it is intelligent to recognise when models are broken. It is little wonder therefore that Government forecasts have in recent years always been wrong, because they cannot take account of the type of behavioural change I have hinted at. Indeed, it would be utterly astonishing if by some fluke they were regularly accurate given the current model of the economy.

Let me give a couple of examples of why behaviour is important. I mentioned one in this House a few days ago in a debate about EU nationals. It involves a constituent of mine, Dougie Grant, who arranges mortgages for people. As a result of the Brexit vote, a deal he was about to close for two of my constituents was called off at the last minute because they were EU nationals who did not want to take the risk of investing here when their future was so uncertain. That could not be modelled by any linear algebra.

When I was on the Finance Bill Committee with the new Chief Secretary to the Treasury, I tabled a few amendments relating to subjects such as the effect of dividend tax on corporations. I am sure he remembers that debate well. When I asked whether the impact of certain measures on micro-businesses and small businesses had been modelled, I was told that HMRC does not model the size of businesses. Following a subsequent question that I sent to the Treasury about another aspect of the economy, I have received a written response in the past few days saying that the model of the Treasury’s economy does not take account of the size of businesses. Yet there is not a businessman in this House who does not recognise the profound difference in behaviour between someone leading an international corporation and someone running a small family business. We need to return to the human element, the behavioural element, of economics to enable us to understand more. That is my plea to the Government, and I will be supporting the Opposition motion today.

6.6 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): I begin by congratulating the Chief Secretary to the Treasury, the right hon. Member for South West Hertfordshire (Mr Gauke), on his well-deserved promotion. I also

welcome the Financial Secretary to the Treasury, the hon. Member for Battersea (Jane Ellison), to the Front Bench. I am looking forward to our first debate, and I hope there will be many more to come.

I thank all Members across the House for taking part in this important debate. My favourite quote was from the hon. Member for Dundee East (Stewart Hosie) who said that the ex-Chancellor’s long-term economic plan was like a unicorn. We also heard from the hon. Member for South Suffolk (James Cartledge), who rightly highlighted the importance of intergenerational fairness, although I am not sure that this charter actually delivers that, by any stretch of the imagination. We also had a fantastic speech from the hon. Member for Kirkcaldy and Cowdenbeath (Roger Mullin), who highlighted the problems associated with neoclassical economic thought in a very articulate way.

As the House will be aware, the Opposition did not support the charter for budget responsibility that we are debating today. And as we have heard throughout the debate, the Government were fully aware last summer that large swathes of respected economists did not find the then Chancellor’s charter for budget responsibility economically credible—if indeed the true intention was to generate growth and prosperity for all. My hon. Friend the Member for Hayes and Harlington (John McDonnell), the shadow Chancellor, said at the time:

“The charter before us today...has little basis in economics.”—*[Official Report, 14 October 2015; Vol. 600, c. 437.]*

This has proved to be the case. If, however, the charter was simply the vehicle to implement an economic ideology that was dedicated to sucking wealth up to the top 1% and that systematically undermined and dismantled public services, it was a very clever plan indeed. I do not intend to spend time in this debate arguing about the moral conundrums of Conservative party economic doctrine, however. Today, I will try to be the moral compass of the new Chancellor and his team, as we are all acutely aware that the economic future of the country is standing at a critical crossroads.

As the shadow Chancellor has already outlined today, the Government have missed or been forced to abandon all three pillars of the charter. The welfare cap was missed in the last financial year and is due to be missed in each year until the end of this Parliament. The debt-to-GDP target has been spectacularly missed. Not only is the ratio of debt to GDP not falling; it has risen, with public sector net debt at 83.3% in the last financial year. Finally, the budget surplus, quite impossible to achieve without finding funds to fill the black hole that opened up in the March Budget, seems to have been more or less conveniently abandoned now on the pretext of the EU referendum result.

I suspect that many on the Government Benches realised some time ago that the target of a £10 billion surplus by 2020 was simply unachievable without drastic cuts to public spending, resulting in a short-term budget surplus. However, the price to pay simply to save embarrassment for missing this fiscal target was long-term economic stagnation and the loss of vital public services. The Financial Secretary to the Treasury may tell the House that the current charter provides a get-out clause whereby the rules are suspended if the OBR assesses that there is a negative shock to the economy. However, the OBR said that it will not publish any revised figures until the autumn, so I urge the Chancellor and his team not to risk floating along directionless until then.

Our approach would allow substantial investment in infrastructure and skills to address the underlying issue of low productivity in our economy. Unfortunately, business investment has been falling for the past two quarters, even ahead of the referendum, and early indicators of pauses in investment and threatened job losses suggest that it could fall even further. British business needs the Government to step in and invest in industry to make Britain a better and more stable place to do business. Businesses do not want cuts to the headline rate of corporation tax. They do not want a raft of foreign takeovers as a result of the fall in the pound following Brexit. British businesses and their workforces should be the kings and queens of global industry. We desperately need a Government that are genuinely committed to what I call “industrial patriotism”, but we have sadly not seen that for some years.

Fortunately, the Chancellor and his team have an ideal opportunity to turn things around and develop their own direction for fiscal policy. The new Prime Minister said in her first speech to the nation:

“When we take the big calls we will think not of the powerful, but you.”

We know that the new Chancellor supported further welfare cuts despite public outcry, so I must educate him as to how bad things really are. We have suffered nearly a decade of economic decline, increasing and stark regional inequality, and deep-rooted alienation and despair in communities that feel left behind, so it was no wonder that people voted in their droves during the referendum. They voted for an answer, for someone or something to blame for the dire economic situation that their communities were in.

Only a few weeks ago, the first Salford poverty truth commission was launched to examine the facets of poverty experienced throughout everyday life in Salford. At the launch, 15 members of the community stood up with real guts and courage in front of a packed hall to tell their individual stories. If the Chancellor and his team could hear what I heard that day, they would know that the economy in its current state is not working for the many.

I heard tales of people suffering horrific childhoods, turning to alcohol and drugs to numb the pain in the absence of counselling—there is no support for them, given the cuts in mental health provision. I heard from families on the breadline, unable to afford to heat their homes and forced to use food banks. I heard from those the Government would deem to have pulled themselves up by their bootstraps—people who are university educated and with well-paid jobs, but still struggling, crushed by a mountain of household debt. I heard from mothers forced to turn to prostitution just to keep a roof over their children’s heads. I heard about families hiding behind the sofa when the loan shark or bailiffs came calling, telling their children to be as quiet as mice. Mr Speaker, you may know that L. S. Lowry, the famous Salford artist, was a rent collector by day in the 1920s, knocking on doors just like today’s bailiffs. He tried to encapsulate the misery and struggle that he encountered in the pictures that he painted. What would he say if he knew that families were still going through the same agonising struggles in 2016?

We have called this debate today to give the Chancellor and his team of Ministers an opportunity to set out their stall, after 10 years of failed austerity economics. It is an opportunity to turn this country around and

address regional imbalances; an opportunity to provide investment support for businesses in those areas hit hardest by economic decline; and an opportunity to invest in skills and infrastructure, and to allow businesses to form the capital to invest in themselves. We can make this nation’s economy the envy of the world and we can ensure that the prosperity we generate when we do that is enjoyed by the many not the few, but the direction of fiscal policy over the next few months is critical to that. It is one of the biggest calls this Chancellor is ever going to have to make. I really hope that his team has listened today and that the Prime Minister’s gesture towards “prioritising the many”, as Labour Members do, is not merely rhetoric.

6.15 pm

The Financial Secretary to the Treasury (Jane Ellison):

I thank those Members who have been kind enough to welcome me to my new position on the Front Bench, including the Opposition spokesman. I was going to spend some time thanking those Opposition Members who contributed to today’s debate, but there is an obvious problem with that—none of them did! It is unusual to call an Opposition day debate and then not muster any Opposition Back-Bench speeches. I fear that the Scottish National party will be renewing its bid to become the official Opposition before too long. Nevertheless, we have had a good and thoughtful debate, and a number of serious points have been made. I therefore thank the Opposition for giving us the chance to debate this important topic, for allowing the House to reflect on the changes in the economic situation that the UK now faces, and for allowing Members to make contributions on how we move forward to rise to those challenges.

I must say at the outset that I do not recognise the picture of our country and of our economy that was painted in the speech we just heard. The phrase “dire economic situation” is simply not borne out by the facts, particularly on a day when we had excellent employment statistics. Turning to the situation in hand, the Government have made it clear that we will not hesitate to work with the Bank of England, wherever required, to stabilise our economy in the immediate term after the referendum decision, and we of course continue to monitor the position extremely closely. We will take any action that we can to prevent risks from crystallising, as we have made clear on numerous occasions, and we will look at all avenues to strengthen our economy. Although I hear this disputed from across the House, we must be clear that the UK economy starts from a fundamentally strong position; we totally reject some of the alternative views of history that were presented in this debate. Again, today’s employment figures are just one example of this, with unemployment falling to 4.9%, its lowest for more than a decade. That does not emanate from a dire economic situation, as was just suggested to us.

Any revision of our responsible fiscal framework would be set out following a thorough assessment of the economic data. We have heard the urging from those opposite to respond immediately, but it is important to examine what the economic data are actually saying, and that is what we are doing very carefully. That is why we have no plans to withdraw the autumn 2015 update of the charter for budget responsibility. As the Chancellor and Prime Minister have made clear, we will update the House with further details in the usual way, through an autumn statement later this year.

Stewart Hosie: I welcome the Minister to her place and thank her for what she just said, which was that the Government are prepared to take whatever steps are necessary to stop potential risks crystallising. That is an important thing for her to say on the record. Notwithstanding the fact that she is saying there will be a delay until the autumn and they will look at the numbers properly, may we have an assurance that if those numbers are as bad as they might be, she will not rule out any fiscal measures to stimulate the economy if that is what is required?

Jane Ellison: As we have said—the Chief Secretary was clear about this, and I think the point was conceded by the hon. Gentleman—we have already heard from the Governor on monetary policy, and that is really important. Conservative Members have spent the past six years making the strength of the British economy the nation's No. 1 priority. We will look at what is happening, and it remains our priority to make sure that we continue to chart a course that recognises some of the risks that exist in the current situation, makes sure we can manage them, and looks at the opportunities that are there to be seized. We have heard so little of that in this debate. We have heard a lot of talk from both the Scottish National party and Her Majesty's Opposition about austerity. As the Prime Minister said at Prime Minister's questions, the other way of talking about that is to say that it is living within our means. By being prepared to address that really difficult issue of a country living within its means, this Government and the coalition have secured hard-won credibility from which we can now move forward. That credibility is not held in every part of the House. It is not an accident that we are now able to move forward from a position of strength, or that people are prepared to invest in this country; it is because of the difficult decisions that have been taken over many years, the vast majority of which were opposed by those on the Opposition Benches.

Let me take this opportunity to make it very clear that any revisions to our plans will not alter the Government's clear commitment to this country that we would restore balance to our economy. As the Chancellor has said, we will no longer pursue the target to reach a surplus in 2019-20. Our plans to do so were based on the assumption of a different-looking economic climate. As is regarded internationally as good practice and as we see in fiscal frameworks right across the globe, our fiscal plans had a flexibility built into them, so that we could make revisions in the case of significant alterations to our economic situation. Here in the UK, that means that, if the independent OBR were to forecast four consecutive quarters of less than 1% growth a year, that target would be suspended. Admittedly that risk is perhaps more prevalent now than it once was, but it remains the conviction of this Government that any responsible plan for the long-term good of this country must be centred on a determination to tackle the deficit and reduce our debt.

In the good speech of my hon. Friend the Member for South Suffolk (James Cartlidge), he made a point about intergenerational fairness. There is no greater intergenerational unfairness than bequeathing massive amounts of debt and deficit to those generations yet to come. That remains at the heart of our plans to ensure that the British economy is healthy and able to respond to unexpected shocks.

Dr Philippa Whitford: We often talk about bequeathing the public debt to future generations, but is not what is actually happening private debt—huge mortgages, student loans and so on?

Jane Ellison: The hon. Lady makes her point. Fundamentally, if we look at the debt the nation is carrying forward, the point remains that it is totally unrealistic of the Opposition to imagine that we can borrow massive amounts of money after they have spent the past six years voting down any spending cuts that were proposed by the Government. They just do not have the credibility to make that point.

We have seen, as a result of the referendum, how important it is that we have an approach that ensures that we are ready for any surprises that come our way. The Prime Minister told the House earlier that we have not abandoned the ambition to move to a surplus. As we have made clear, we will be setting out further details in the autumn statement.

Making savings, living within our means, and spending money efficiently are just one side of the task ahead. We cannot afford to take our foot off the pedal when it comes to creating the right conditions for growth, and there are many ways in which we can do that. In all fairness, speeches in this debate addressed that. For a start, we know that if we want to help our economy grow, we need to invest wisely in the right infrastructure. There has been much discussion about infrastructure spending, but some of that discussion has suggested that it is rather a binary choice between living within our means on the one hand and investing in infrastructure on the other, but, as the Chief Secretary said at the beginning of the debate, that is simply not true. We are putting more than £100 billion into infrastructure over the course of this Parliament alone, and that will go to funding some essential improvements and new developments right across our country. We will keep working to make sure that this country keeps improving the skills in our workforce so that our businesses have what they need to stay on top.

It is important that we remain resolutely outward-facing. Now is not the time to pull up the drawbridge. Now is more than ever the time to open the door and to hear the message of young people that they want us to be an outward-facing nation. We want to seek all those international opportunities. We heard not a single word in the debate about today's employment figures, which reveal that youth unemployment is at its lowest since 2005. That is surely something that we should celebrate, for the sake of our young people.

It is vital that the UK remains one of the best places in the world to do business. We are sending out that message loud and clear. That involves making sure that our tax system remains fiercely competitive. It also means that we have to continue to take difficult decisions elsewhere to balance the books, because we have made major cuts in corporation tax to create that extremely competitive environment to attract business. Only this week we saw a great example of inward investment in our country.

Without doubt there are a range of challenges ahead, but there are also a range of ways in which we can continue to bolster our economy as we open a new chapter for the UK outside the EU. We are determined to do everything we need to do as a Government to

restore confidence, stabilise the economy and navigate our way through the times ahead. As we start our negotiations to leave the EU, we will tackle those new challenges head-on and we will take on board any new risks that start to emerge.

It is vital that we send out a message of confidence, and not just from the Government. It is important that we as a nation and we as a House send out a message of confidence, and some of the speeches today, I am afraid, bore no relation to the reality of life beyond this Chamber. It is important that we send out a unified signal that Britain is open for business, that we remain outward-facing and open to inward investment, and that we have confidence in ourselves as a country and in all the things that we can achieve in the years ahead. The hard-won reputation that we have as a good place to do business cannot and will not be squandered as we look for those new opportunities. For all those reasons and many more, the Government reject the motion and urge the House to do the same.

Question put.

The House divided: Ayes 213, Noes 283.

Division No. 52]

[6.27 pm

AYES

Abbott, Ms Diane	Cruddas, Jon
Abrahams, Debbie	Cryer, John
Ahmed-Sheikh, Ms Tasmina	Cunningham, Alex
Alexander, Heidi	Cunningham, Mr Jim
Ali, Rushanara	Dakin, Nic
Allen, Mr Graham	Danczuk, Simon
Allin-Khan, Dr Rosena	David, Wayne
Arkless, Richard	Davies, Geraint
Ashworth, Jonathan	Day, Martyn
Austin, Ian	Donaldson, Stuart Blair
Bailey, Mr Adrian	Dowd, Jim
Bardell, Hannah	Dowd, Peter
Barron, rh Kevin	Dromey, Jack
Beckett, rh Margaret	Edwards, Jonathan
Blackford, Ian	Efford, Clive
Blackman, Kirsty	Elliott, Julie
Blenkinsop, Tom	Ellman, Mrs Louise
Blomfield, Paul	Farrelly, Paul
Boswell, Philip	Fellows, Marion
Brake, rh Tom	Ferrier, Margaret
Brennan, Kevin	Fitzpatrick, Jim
Brock, Deidre	Fletcher, Colleen
Brown, Alan	Flynn, Paul
Brown, Lyn	Fovargue, Yvonne
Brown, rh Mr Nicholas	Furniss, Gill
Bryant, Chris	Gardiner, Barry
Buck, Ms Karen	Gethins, Stephen
Burden, Richard	Gibson, Patricia
Burgon, Richard	Glass, Pat
Cameron, Dr Lisa	Glindon, Mary
Campbell, rh Mr Alan	Godsiff, Mr Roger
Carmichael, rh Mr Alistair	Goodman, Helen
Champion, Sarah	Grady, Patrick
Chapman, Douglas	Grant, Peter
Chapman, Jenny	Gray, Neil
Cherry, Joanna	Green, Kate
Clwyd, rh Ann	Greenwood, Lilian
Coaker, Vernon	Greenwood, Margaret
Cooper, Rosie	Griffith, Nia
Cooper, rh Yvette	Gwynne, Andrew
Corbyn, rh Jeremy	Haigh, Louise
Cowan, Ronnie	Hamilton, Fabian
Coyle, Neil	Hanson, rh Mr David
Creasy, Stella	Harman, rh Ms Harriet

Harris, Carolyn	Pennycook, Matthew
Hayes, Helen	Phillips, Jess
Hayman, Sue	Phillipson, Bridget
Healey, rh John	Powell, Lucy
Hendry, Drew	Rayner, Angela
Hepburn, Mr Stephen	Reed, Mr Jamie
Hodgson, Mrs Sharon	Reed, Mr Steve
Hollern, Kate	Rees, Christina
Hopkins, Kelvin	Reynolds, Jonathan
Hosie, Stewart	Rimmer, Marie
Howarth, rh Mr George	Ritchie, Ms Margaret
Huq, Dr Rupa	Robertson, rh Angus
Johnson, rh Alan	Robinson, Mr Geoffrey
Johnson, Diana	Rotheram, Steve
Jones, Gerald	Ryan, rh Joan
Jones, Graham	Salmond, rh Alex
Jones, Susan Elan	Saville Roberts, Liz
Kane, Mike	Shah, Naz
Kinnock, Stephen	Shannon, Jim
Kyle, Peter	Sharma, Mr Virendra
Lamb, rh Norman	Sheerman, Mr Barry
Lammy, rh Mr David	Sherriff, Paula
Lavery, Ian	Shuker, Mr Gavin
Law, Chris	Siddiq, Tulip
Lewell-Buck, Mrs Emma	Skinner, Mr Dennis
Lewis, Clive	Slaughter, Andy
Long Bailey, Rebecca	Smeeth, Ruth
Lucas, Caroline	Smith, rh Mr Andrew
Lynch, Holly	Smith, Cat
Madders, Justin	Smith, Nick
Mahmood, Mr Khalid	Smith, Owen
Malhotra, Seema	Spellar, rh Mr John
Mann, John	Stephens, Chris
Marsden, Mr Gordon	Stevens, Jo
Maskell, Rachael	Streeting, Wes
Matheson, Christian	Stuart, rh Ms Gisela
McCabe, Steve	Tami, Mark
McCaig, Callum	Thewliss, Alison
McCarthy, Kerry	Thomas, Mr Gareth
McDonagh, Siobhain	Thomas-Symonds, Nick
McDonald, Stewart Malcolm	Thompson, Owen
McDonald, Stuart C.	Thomson, Michelle
McDonnell, John	Thornberry, Emily
McGinn, Conor	Timms, rh Stephen
McGovern, Alison	Trickett, Jon
McInnes, Liz	Turley, Anna
McLaughlin, Anne	Turner, Karl
Meale, Sir Alan	Twigg, Stephen
Mearns, Ian	Vaz, rh Keith
Miliband, rh Edward	Watson, Mr Tom
Morden, Jessica	Weir, Mike
Morris, Grahame M.	West, Catherine
Mulholland, Greg	Whitehead, Dr Alan
Mullin, Roger	Whitford, Dr Philippa
Murray, Ian	Williams, Hywel
Nandy, Lisa	Winnick, Mr David
Newlands, Gavin	Winterton, rh Dame Rosie
Nicolson, John	Wishart, Pete
O'Hara, Brendan	Wright, Mr Iain
Onn, Melanie	Zeichner, Daniel
Onwurah, Chi	
Osamor, Kate	
Oswald, Kirsten	
Paterson, Steven	
Pearce, Teresa	

Tellers for the Ayes:
Vicky Foxcroft and
Jeff Smith

NOES

Afriyie, Adam	Amess, Sir David
Aldous, Peter	Andrew, Stuart
Allan, Lucy	Argar, Edward
Allen, Heidi	Atkins, Victoria

Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Sir Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bradley, rh Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burt, rh Alistair
 Carmichael, Neil
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colvile, Oliver
 Costa, Alberto
 Crouch, Tracey
 Davies, Byron
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davis, rh Mr David
 Dinéage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Donelan, Michelle
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fernandes, Suella
 Field, rh Mark
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy

Freeman, George
 Freer, Mike
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, rh Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, rh Ben
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matt
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Heald, Sir Oliver
 Heapey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Holloway, Mr Adam
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kirby, Simon
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian

Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 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
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David

Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Lord, Jonathan
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Sir Desmond
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Guy Opperman and
 Stephen Barclay

Question accordingly negatived.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

LOCAL GOVERNMENT

That the draft Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) Order 2016, which was laid before this House on 27 June, be approved.—(*Christopher Pincher.*)

Question agreed to.

PETITIONS

Welsh Assembly Oath or Affirmation

6.40 pm

Kevin Brennan (Cardiff West) (Lab): I have a petition from Gruffydd Meredith. The petition states:

The petition of Gruffydd Meredith,

Declares that there should be an option for new Welsh Assembly members to swear an oath or make an affirmation to the people of Wales instead of to a monarchy and/or crown; further that there should still be an option for new Welsh Assembly members to swear an oath or to make an affirmation to a monarchy if they so wished; further that this would provide a fairer choice for new elected representative which would be a better reflection of the broad scope of view in society; further that there is no requirement for members of the Northern Ireland Assembly to take any oath or affirmation but instead requires that members take a Pledge of Office; further that this proposed similar choice for Wales is important for Welsh political plurality and fairness; and further that an online petition on a similar matter has been signed by over 1,000 individuals.

The petitioner therefore requests that the House of Commons makes the necessary amendments to any present or draft legislation which governs the taking of oaths and the making of the affirmation to ensure that new Welsh Assembly members have the option to swear an oath or make an affirmation to the people of Wales rather than to a monarchy and/or crown.

And the petitioner remains, etc.

[P001701]

Mr Speaker: I call Mark Menzies to present a petition. Not here. Where is the fella?

Restoration of the Wellington Monument in Taunton Deane

6.42 pm

Rebecca Pow (Taunton Deane) (Con): I rise to present a petition relating to the Wellington monument, with 1,586 signatures. It declares that this iconic landmark,

which is in a desperate state of repair, should be restored to its former glory and reopened to members of the public. The petition states:

The petitioners therefore request that the House of Commons urges the Government to provide funding to restore the Wellington Monument to a safe and stable condition so it may be re-opened to members of the public.

Following is the full text of the petition:

[The petition of residents of Taunton Deane,

Declares that the current condition of the iconic Wellington Monument, established to commemorate the Battle of Waterloo, is in a desperate state of repair and is consequently unsafe; further that the 200th anniversary of its building will be celebrated in 2017; further that the closing off of this national cultural landmark is restricting community engagement and the recreational enjoyment of local residents; and further that its current condition is an unfitting memorial to one of our greatest war heroes, The Duke of Wellington.

The petitioners therefore request that the House of Commons urges the Government to provide funding to restore the Wellington Monument to a safe and stable condition so it may be re-opened to members of the public.

And the petitioners remain, etc.]

[P001702]

Closure of Lancashire's Libraries and Museums

6.43 pm

Graham Jones (Hyndburn) (Lab): I rise to present a petition relating to library and museum closures in Lancashire. It declares that local libraries in the borough of Hyndburn should not be closed.

The Government's cut of £262 million to Lancashire County Council's funding so far has led to the proposed closure of some 40 libraries and several important museums. In addition to the several hundred signatures on this written petition, 6,000 people from across Lancashire have signed a petition on the e-petition website. Both petitions call on the Government to prevent an irreversible and damaging attack on Lancashire's heritage, which will never recover. It is paramount that the Government work with Lancashire County Council to ensure that these institutions are not closed after the 12-week consultation period is completed.

The petition reads:

The petition of residents of Hyndburn,

Declares that local libraries in the borough of Hyndburn should not be closed.

The petitioners therefore request that the House of Commons urges the Government to take action to prevent the closure of libraries in the borough of Hyndburn.

And the petitioners remain, etc.

[P001704]

Beach Huts

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

6.45 pm

Mr Christopher Chope (Christchurch) (Con): May I begin by welcoming my good and honourable Friend, the Minister for Housing and Planning, to the Front Bench? I think this is his first outing as a Minister and I am delighted that he is taking the opportunity to respond to a debate about a part of the country with which he is familiar. He recognises Dorset as being a really good place to go for family holidays and outings.

I am grateful to you, Mr Speaker, for enabling the House, on the eve of traditional family beach holidays in the United Kingdom, to give its attention to the important issue of beach huts. Beach huts have formed an integral part of traditional British seaside holidays for many years. They evolved from the single-sex segregated bathing machines that were erected in many seaside resorts in the 19th century and are now used, in the words of a recent planning application by North Somerset Council, to

“allow families to relax in comfort, to store belongings and to access facilities such as water and power as well as”—

and I think this is most important—

“providing shelter from inclement weather”.

I cite an application that was made for the grant of planning permission for 132 beach huts at Weston-super-Mare in the spring of last year. The huts were to be erected on hard standing on a former bandstand and also on the promenade. In making the application to itself, the council was open in its public consultation. Furthermore, when the beach huts were first erected and found to be unpopular because they were too large—they blocked the promenade and interfered with the seaside views of others—the council went back to seek fresh planning permission. I cite that example from North Somerset Council as a precedent of best practice, because it entailed full consultation and transparency.

The purpose of this debate is to try to ensure that the approach of North Somerset Council becomes a legal requirement for all councils in England. Many councils recognise that if they are going to give permission for beach huts, they should go through the normal planning procedures, which involve an application, a consultation and so on. However, Christchurch Borough Council has avoided doing that over many months, to the extreme consternation of the public.

The legal background to the planning regime for beach huts is uncertain. The House of Commons Library, in its typically helpful way, has said:

“There is no simple answer as to whether beach huts require planning permission or can be classed as permitted development. Much will depend on the individual circumstances of the beach huts in question, for example, whether they are intended to be temporary or permanent, how easily they can be removed, their size and their physical attachment to the ground”.

We need clarity in our planning law. I hope that, by the end of tonight’s debate, my hon. Friend the Minister will have given some assurance that he will fill that lacuna and ensure that there is clarity, where currently the legal background is uncertain.

One of our country’s greatest national assets is its coastline. Large parts have been protected through the

National Trust’s acquiring ownership of the land and securing it against intrusive development; if it had not done so, a lot of our coastline might have been marred, just as a lot of the coastline in the Mediterranean and other parts of the world has been. Other parts of our coastline are in private ownership, so development is controlled by local councils. The gap in the public protection of our coastal amenities is where the land itself is owned by local councils, which seek to give themselves deemed consent for development without the need for any planning application or public consultation.

The extent of that gap in our planning regime has been exposed by what has happened in recent months in Christchurch. Christchurch Borough Council is commendably keen to maximise utilisation of its assets. Some of those assets include land held on long leasehold on Mudford sandbank, where some of the most expensive beach huts in the country—if not in the world—are located. The *Daily Echo* recently reported a waiting list of 100 people for the sale of a beach hut with 138 square feet of accommodation, at a price of £250,000. That hut has no bathroom or washing facilities; those are available in a communal shower and lavatory block further up the beach.

It seems that commercial considerations were to the fore when Christchurch councillors came into contact with the television production company Plum Pictures, which was seeking an arrangement whereby there could be a competition for the design and construction of 12 new beach huts as part of the Channel 4 television series “George Clarke’s Amazing Spaces”—I have to admit that I have never seen that programme, but it is apparently a really good view.

Rebecca Pow (Taunton Deane) (Con): My hon. Friend is making a really fascinating case. I worked for a television company, HTV, which also made a series about beach huts, in that case the wonderful beach huts at Dunster, which are equally expensive. I make the case that beach huts have a certain attraction. We need to consider that—some are almost landmarks, such as the ones at Lyme Regis.

Mr Chope: There are indeed many attractive beach huts located around the country, and there are some amazing spaces. But when we talk about amazing spaces we ought also to think about amazing natural spaces. If my hon. Friend has ever had the privilege of visiting Highcliffe cliff top, she will probably agree that that is an amazing space because it is unspoilt. We can look out to sea and out to the Needles. Why should we wish to despoil such a place, to the detriment of local people, without at least some proper consultation?

Mr Speaker: Order. I think the hon. Gentleman is trying to tell the House that his constituency is naturally upmarket and requires no artificial input.

Mr Chope: That is a very good way of putting it, Mr Speaker. We enjoy a large cohort of visitors, not least now because of the popularity of the series “Mr Selfridge”, as Mr Selfridge is buried in a church in Highcliffe and spent much time at Highcliffe castle. We have quite a history and there are many aspects of life in Highcliffe and Christchurch that are attractive to visitors and to our resident population.

On 18 November last year the Christchurch Council community services committee agreed to allow a competition to proceed for the design and construction of beach huts at Highcliffe. That was confirmed by the Council's resources committee on 2 December. Both meetings, and the decisions taken at them, were kept private on grounds of commercial confidentiality, despite the fact that the beach huts were to be sited on open, unspoiled coastline, which is also part of a site of special scientific interest.

Two months before, local residents had celebrated the Government's rejection of a proposal for a massive offshore windfarm at Navitus bay of up to 200 wind turbines, each up to 200 metres in height—my right hon. Friend the Member for New Forest East (Dr Lewis), the local council, and many other colleagues campaigned strongly and successfully against that proposal. One can therefore understand people's dismay when they found that the council, which had campaigned so effectively on their behalf on that issue, had secretly been cooking up a proposal with Plum Pictures.

That proposal emerged only in March this year, when people found out that the competition had been launched and were able to look at the brochure, which described Christchurch Borough Council's "beach retreat technical specification", for people to design their own beach retreat—they are called beach retreats because they are not just ordinary huts; they are larger than huts and for overnight, residential use around the clock, 24/7. Those beach retreats were to be located in a scattered formation across the cliff-top at Highcliffe.

Mr Peter Bone (Wellingborough) (Con): As usual, my hon. Friend makes a powerful case. There are no beaches in Wellingborough, but this issue is much more important from a national perspective because when councils own land, they have a tendency almost to rubber-stamp the planning permission. If I have got it right, this case is even worse, because planning permission was not even applied for in the first place.

Mr Chope: Exactly. There has been no accountability for this at all, but I agree there is a problem when councils give themselves planning permission, because the Government are often reluctant to call in those applications, even when they involve development on the green belt. In a recent case in my constituency, development was proposed on the green belt for a new school, and the Government—much to my dismay and that of many of my constituents—did not call it in for a public inquiry, but that is another story.

The terms of this competition were

"to find inventive people to design and build innovative and exciting beach retreats."

The 12 winners were to get £8,000 each to spend on the materials

"to make their dream beach hideaway a reality".

The trouble was that they are not really hideaways at all; they are in the most exposed position one could imagine on the coastline. It was stated:

"All beach huts will be owned by the Council, but all designers will be guaranteed four weeks a year to enjoy the retreat they created."

The brochure also spelt out that the winners of the competition would not need to apply for planning permission for their beach huts, and it boasted that

"Highcliffe is one of the South Coast's most beautiful coastal points, located just round the corner from the famous beach huts of Mudeford Spit and with panoramic views that include the iconic Isle of Wight Needles."

The competition was designed to close on 1 May, with winning participants notified on 13 May. The huts would be constructed and completed by 11 September, when filming would be carried out by Plum Pictures. The revelation that the council had entered into such a secret agreement for the development generated an immediate furore that continues to this day. A massive online petition with 1,400 signatures was presented to the council. There has been voluminous correspondence and other protests, and a new local action group has been formed to try to protect the coastline and the beaches against this sort of intrusion.

I asked the council how it was possible for such a proposal to go forward without the need for planning permission.

7 pm

Motion lapsed (Standing Order No. 9(3)).

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

Mr Chope: I was referred to the rules about permitted development, in particular the Town and Country Planning (General Permitted Development) (England) Order 2015, which sets out the rules for what can be classed as permitted development; that is, development that does not require planning permission. Class A under part 12 of schedule 2 to of the order grants permitted development rights for local authorities in relation to what are described as "small ancillary" buildings, including the setting of a size limit. It seems extraordinary to any layman that a small ancillary building could be interpreted as covering 12 separate overnight beach huts in isolated locations many hundreds of yards from any building, let alone a local authority-owned building.

The problem seems to be that in the order, "ancillary" has been deemed by the courts—at least in one judgment—to relate to a function of the council, rather than a building. This was discussed in the case of *The Queen on the application of John Richards v. West Somerset Council* in the High Court of Justice, Queen's bench division, the administrative court on 23 September 2008. In this case, Judge Hickinbottom agreed that "ancillary" related to function. It seems, however, that that was on the basis that the parties to that particular case were themselves agreed that "ancillary" related to function, as is made clear in paragraph 21 of the judgment. The judge merely said that he, too, agreed that that must be the case:

"The building works or equipment constructed must be allied to a proper function of the council."

I do not think that, on any normal interpretation of that case or the order, it could be said that "ancillary" relates to a function rather than to another building. I would be grateful if my hon. Friend the Minister could ensure that the wording of the order is adjusted to make it clear that this is not the correct interpretation of "ancillary". That is the only way, in our sovereign Parliament, we can overrule a wrongful interpretation of our intentions by the courts. I am sure the Government would not have intended that this sort of thing could

[Mr Chope]

happen, with the council entitled to interpret “ancillary” in this way and not having to apply for planning permission as a result.

I would also be grateful if my hon. Friend established that the permitted development rules do not allow councils, in any circumstances, to avoid planning legislation, by deeming such huts of any size or shape to be permitted development. That is important to restore public confidence. It is also important because many of the powers available to Natural England to protect sites of special scientific interest are triggered only when a planning application is in play. I had a meeting with Natural England in my constituency to discuss this issue. It made it clear that, although it had a very limited role if the council applied for what is called an “assent” rather than a “consent”, it would have a much more significant role if the council had to apply for “consent” as part of a planning application. That is another good reason for strengthening the law in this area.

In the Highcliffe case, Natural England was involved, but, it seems, only as an afterthought by the council. I tabled a question to the Department for Environment, Food and Rural Affairs, which was answered on 6 June. It was prompted by reports emanating from the council that Natural England was content with what was being proposed.

Mr Bone: I have been listening carefully to my hon. Friend’s argument—it is a very strong argument—but can he put this in context? I thought he said that the competition ended on 31 May. How could a council have proposed to build luxurious and very expensive beach huts at a time when everyone in government was saying that the world was coming to an end because we were leaving the EU?

Mr Chope: The councillors viewed the designs for the huts in private, so I cannot comment on rumours that one of the successful designs had a large European flag with a cross through it on one side of the hut and a Union Jack on the other. My hon. Friend, as always, makes an interesting observation, although the competition ended on 1 May.

On 1 June, I was told by the chief executive of the council:

“The Council has been working closely with Natural England since the proposal for the huts first came forward”.

He went on to say that officers from Natural England had given detailed advice as to what would and would not be acceptable on the site and that the competition had been designed with that in mind. He was clearly saying that Natural England was content with the situation. From my discussions with Natural England, however, it is clear that it is not. Indeed, it did not receive an application from the council until 6 June, and following consultation, that application has now been withdrawn as unacceptable to Natural England.

I had hoped to tell the House that all had ended happily and that the application to Natural England had been withdrawn; that the proposal for residential beach huts had been withdrawn; that the rumoured alternative proposal for day huts had also been withdrawn; and that the council had agreed to go back to the

drawing board and undertake proper consultation before even considering building any construction on or near the Highcliffe cliff top.

Unfortunately, however, the clarity that I hoped would emerge from the council’s scrutiny committee last night was not forthcoming. There are still rumours circulating that the council might want to develop beach huts and that it might be liable for damages for breach of contract because the competition has been abandoned. Most of all, however, the continuing lack of transparency and accountability is adding to public anger and frustration. The council needs to declare openly that it will not proceed with any beach hut development at Highcliffe unless or until there has been full public consultation, including on the design, location and terms of use of any huts.

Although this is all clouded in secrecy and is regarded as commercially confidential, I find it inconceivable that any council could have entered into a legal agreement for the construction of 12 beach huts without making it conditional upon the obtaining of the relevant consent from Natural England. As that consent has not been forthcoming, the contract, if properly drafted, could be easily terminated by the council on the grounds that one of the conditions had not been fulfilled. The fact that the council does not seem to have announced this to the world makes me suspect that it did not execute that basic precaution. If that is so, I fear a potential bill of many tens of thousands of pounds for my constituents. I am sure they will not be at all pleased at that prospect and will want to ask the sorts of questions I have been asking this evening but which have not yet been answered.

Ian Mearns (Gateshead) (Lab): I am interested in what the hon. Gentleman is saying and I am wondering whether he might not refer the matter for consideration by the district auditor, given such a use of public money and the fact that the relevant legal considerations were not taken into account.

Mr Chope: The hon. Gentleman raises a very interesting point. At the moment, we would say that it was a bit premature to do that, but I am sure that the people of Christchurch will not allow this issue to rest until there is a proper holding to account of the people responsible.

In conclusion, as the pressure on local councils to operate more commercially increases, it is all the more essential that our natural heritage be properly protected. I therefore hope that the Minister will take immediate action to clear up the uncertain legal background to the planning regime for beach huts, so that other communities in England do not have to suffer the same ordeal as the people of Highcliffe in recent months.

7.10 pm

The Minister for Housing and Planning (Gavin Barwell): I congratulate my hon. Friend the Member for Christchurch (Mr Chope) on securing this debate and on raising the concerns of his constituents with his typical diligence. I thank him for his kind words about my appointment as the Minister for Housing and Planning. Two or three days into the job, I have already seen very clearly what we ask of our planning system. At the national and strategic level, it is the means by which we try to ensure that we build the houses we so desperately need and provide opportunities in our economy, while at the local

level, as this debate demonstrates, it is about ensuring that development in the places we know and love is sensitive and respectful to those areas.

Let me start by setting out how the Government are supporting coastal communities before I come on to the specific issues about the planning system. The great British coast has enormous economic potential, with coastal tourism contributing £4 billion to our economy every year. The Government are committed to the growth and success of coastal communities. Over the past four years, we have put more than £120 million into our much-loved seaside towns through the coastal communities fund. This money has helped launch more than 200 projects and will help to safeguard or create 18,000 jobs. That includes £2 million to create Europe's first National Coastal Tourism Academy in Bournemouth, not far from Christchurch, to help accelerate growth in the visitor economy, focusing on improving the visitor experience, supporting coastal tourism businesses and bridging gaps in coastal tourism research and development. It is forecast to create 165 jobs in the local area and over 2,000 jobs nationwide.

To help deliver these vital projects, we have funded 118 coastal communities teams in England to take control of their own areas' regeneration. This includes the Dorset coastal community team, which covers the area from Weymouth to my hon. Friend's constituency in Christchurch. These teams have brought together local people, councils and businesses to submit joint economic plans for how to drive forward future growth, jobs and prosperity.

The community in Christchurch has worked collaboratively with neighbouring communities as part of the Dorset team, which has resulted in a comprehensive action plan for economic regeneration of this important coastline and a bid to the current round of the coastal communities fund. Earlier this year, the Dorset team consulted on its economic plan, including on specific area plans for Christchurch. I am pleased to see the team taking a proactive approach to improving the economy of the area and looking for innovative new projects. It is one of those projects—a proposal to build additional beach huts along the coastline—that has given rise to today's debate.

I am grateful to my hon. Friend for sharing his concerns about the planning regime for council-owned beach huts and the impact of this particular proposal on his constituency. I am sure that we are all sad to hear that the competition run by Christchurch local council, in conjunction with the "George Clarke's Amazing Spaces" TV show, which offered a great opportunity to promote the area and involve the community in the development of this important coastline, has given rise to significant controversy.

With regard to the specific site used for the beach hut development, I am sure my hon. Friend will recognise that I am unable to comment on any specific case due to the Secretary of State's role in the planning system. My hon. Friend is right that I know the beach in question, having family in nearby Hordle in the New Forest. I can set out the Government's overall approach to planning and how it supports the development and success of coastal communities. I will also set out the position in relation to permitted development rights.

The planning system supports the Government's commitments to securing sustainable economic growth. The national planning policy framework is a key part of

the Government's reforms to make the planning system less complex and more accessible. It vastly simplified the number of policy pages about planning. The planning policy guidance to support the framework is published online, and is regularly updated. The framework serves as guidance for local planning authorities and decision makers, explaining both how they should draw up plans and how they should make decisions about planning applications.

Our planning reforms and locally led planning system have given councils more discretion, especially when they are preparing local plans that identify where development should and should not take place. National planning policy requires them, through their local plans, to set out clear visions and strategies for their areas that positively and proactively encourage sustainable growth, and their plans should be tailored to the needs of each area in terms of strategy and policy. The plans should focus on the key issues that need to be addressed, and should be aspirational but realistic.

Councils should have a clear understanding of business needs in their markets, and should work closely with their communities in order to understand their needs. We want business, councils and communities to establish a shared vision for the growth of their areas. Coastal areas such as the Dorset coast, which have coastal community teams, have the perfect structure that enables them to deliver that vision through their economic plan. I am sure my hon. Friend agrees that growth in business is good for local communities, creating the jobs and prosperity that they need and providing the opportunity for social and environmental objectives to be met.

Let me now deal with the meat of my hon. Friend's speech. Permitted development rights support growth by simplifying the planning system. Councils have permitted development rights for ancillary development that is required for the purposes of carrying out their functions. Whether a particular development requires planning permission or benefits from a permitted development right is a matter for the local planning authority, and, ultimately, for the courts. My hon. Friend cited some precedents in the form of councils that had applied for planning permission when developing beach huts, and he asked me to look at the wording of the general permitted development order. The Department is not aware of other cases in which concern has been expressed about such behaviour on the part of councils, but I will reflect on his request.

I can reassure my hon. Friend that, regardless of how planning permission is granted, safeguards remain to protect our most important landscapes. Permission granted by the general permitted development order is still subject to the Conservation of Habitats and Species Regulations 2010. If a development granted permission by the order is likely to have a significant effect on a European site, the development cannot be begun until the local planning authority has determined, in consultation with Natural England, that it will not adversely affect the site. That is still the case when the local authority itself is the developer.

My hon. Friend referred to contact between his local authority and Natural England. I note that, according to Christchurch Council's website:

"Staff from Natural England... have been involved in discussions with the Council about the proposals since the very earliest approach."

[Gavin Barwell]

The date of that approach is not given.

“The Council wished to ensure that NE had no objections to what was being proposed otherwise they would not have entered into discussions with Plum Productions.”

That is the company that is making the television programme.

“NE have given us advice throughout, in terms of what would and would not be acceptable to them, and where any huts could and could not be located to avoid damage to the SSSI. Until the final designs and sites have been selected it is not possible to submit a formal application to Natural England. Natural England must give their approval for the construction and location of the huts before any work can start on site.”

Mr Chope: My hon. Friend has quoted from the council’s website, but surely, if what he quoted was correct, it would not have been necessary for the council’s application to Natural England to be withdrawn, because Natural England found the proposition unacceptable.

Gavin Barwell: As my hon. Friend says, I was quoting from the information on the council’s website, but he has made his point very powerfully, both in his speech and in that intervention.

Ultimately, it is open to any third parties who are aggrieved by a council’s planning decision to apply for judicial review if they believe that the decision was wrong in law, but that must be done within six weeks of the decision’s coming to light. They can also ask the local government ombudsman to investigate if they consider that injustice has been caused to them as a result of maladministration. I recognise the concerns of my hon. Friend and his constituents and I commend

him on securing this debate. I would encourage him and his constituents to continue to engage with the local council on this matter.

The growth of our coastal communities is a Government-wide commitment and my predecessors have worked with the Department for Culture, Media and Sport, the Department for Environment, Food and Rural Affairs and many other Departments to deliver a number of initiatives.

Mr Chope: My hon. Friend says he would encourage people to work with the council, but will he also take this opportunity to encourage the council to consult and work with the local people on proposals to bring forward any future residential or other beach huts?

Gavin Barwell: I am certainly happy to do that. We have in this country a planning system which is to a significant extent locally led; it is for local councils to develop their local plans, but the Government would certainly encourage them to engage with their local communities, businesses, Members of Parliament and other interested parties as they do that.

It is of course important that all parties recognise that development, crucial though that is, is not at the cost of our valued landscape, and I look forward to ensuring that our planning system and this Government’s planning policies deliver for all in the community and continue to drive the success of coastal communities.

Question put and agreed to.

7.21 pm

House adjourned.

Deferred Divisions

ATOMIC ENERGY AND RADIOACTIVE SUBSTANCES

That the draft Nuclear Industries Security (Amendment) Regulations 2016, which were laid before this House on 26 May, be approved.

The House divided: Ayes 312, Noes 56.

Division No. 48]

AYES

Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Campbell, Mr Gregory
Carmichael, Neil
Cartledge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Costa, Alberto
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, David T. C.
Davies, Glyn

Davies, Dr James
Davies, Mims
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Evans, Graham
Evans, Mr Nigel
Evensnett, rh Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, rh Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, rh Ben
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard

Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heapey, James
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Kevan
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
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
McDonald, Stewart Malcolm
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Osborne, rh Mr George
Paisley, Ian
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sheerman, Mr Barry
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John

Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Sir Desmond
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward

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

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Arkless, Richard
 Bardell, Hannah
 Black, Mhairi
 Blackford, Ian
 Boswell, Philip
 Brown, Alan
 Cameron, Dr Lisa
 Chapman, Douglas
 Cowan, Ronnie
 Day, Martyn
 Docherty-Hughes, Martin
 Donaldson, Stuart Blair
 Edwards, Jonathan
 Fellows, Marion
 Ferrier, Margaret
 Gethins, Stephen
 Gibson, Patricia
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Hendry, Drew
 Kerevan, George
 Kerr, Calum
 Lucas, Caroline
 MacNeil, Mr Angus Brendan

Mc Nally, John
 McCaig, Callum
 McDonald, Stuart C.
 McGarry, Natalie
 McLaughlin, Anne
 Monaghan, Carol
 Monaghan, Dr Paul
 Mullin, Roger
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Oswald, Kirsten
 Paterson, Steven
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Saville Roberts, Liz
 Sheppard, Tommy
 Stephens, Chris
 Thompson, Owen
 Thomson, Michelle
 Trickett, Jon
 Watson, Mr Tom
 Weir, Mike
 Whiteford, Dr Eilidh
 Whitford, Dr Philippa
 Williams, Hywel
 Wilson, Corri
 Wishart, Pete

Question accordingly agreed to.

CLIMATE CHANGE

That the draft Climate Change Act 2008 (Credit Limit) Order 2016, which was laid before this House on 30 June, be approved.

The House divided: Ayes 310, Noes 206.

Division No. 49]

AYES

Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Allen, Heidi
 Amess, Sir David
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Sir Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, rh Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Campbell, Mr Gregory
 Carmichael, Neil
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Churchill, Jo
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davis, rh Mr David
 Dinéage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Donelan, Michelle
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Elliott, Tom
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, rh Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, rh Ben
 Halfon, rh Robert
 Hall, Luke
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, rh Matt
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon

Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, rh Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Kirby, Simon
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 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
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy

Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Newton, Sarah
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 Paisley, Ian
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 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
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Sir Desmond
 Syms, Mr Robert
 Thomas, Derek

Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben

Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Allen, Mr Graham
 Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Benn, rh Hilary
 Berger, Luciana
 Black, Mhairi
 Blackford, Ian
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brown, Alan
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Coaker, Vernon
 Cooper, Julie
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, rh Jeremy
 Cowan, Ronnie
 Coyle, Neil
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 David, Wayne
 Davies, Geraint
 Day, Martyn

Docherty-Hughes, Martin
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Elliott, Julie
 Ellman, Mrs Louise
 Farrelly, Paul
 Farron, Tim
 Fellows, Marion
 Ferrier, Margaret
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Furniss, Gill
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glindon, Mary
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendry, Drew
 Hillier, Meg
 Hodgson, Mrs Sharon
 Hopkins, Kelvin
 Howarth, rh Mr George
 Hussain, Imran
 Jarvis, Dan

Jones, Gerald
 Jones, Susan Elan
 Kane, Mike
 Keeley, Barbara
 Kerevan, George
 Kerr, Calum
 Kinnock, Stephen
 Lamb, rh Norman
 Lavery, Ian
 Lewell-Buck, Mrs Emma
 Long Bailey, Rebecca
 Lucas, Caroline
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Madders, Justin
 Mahmood, Mr Khalid
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm

McDonald, Stuart C.
 McGarry, Natalie
 McGinn, Conor
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pennycook, Matthew
 Phillips, Jess
 Pound, Stephen
 Pugh, John

Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Spellar, rh Mr John
 Stephens, Chris

Streeting, Wes
 Stuart, rh Ms Gisela
 Tami, Mark
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Stephen
 Vaz, rh Keith
 Vaz, Valerie
 Watson, Mr Tom
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Williams, Hywel
 Wilson, Corri
 Winterton, rh Dame Rosie
 Wishart, Pete
 Wright, Mr Iain
 Zeichner, Daniel

Question accordingly agreed to.

Westminster Hall

Wednesday 20 July 2016

[MR NIGEL EVANS *in the Chair*]

EU Referendum: Gibraltar

9.30 am

Mr Nigel Evans (in the Chair): As an act of human kindness, I inform Members that they may remove their jackets and other articles of clothing, up to a point. I remind Members that if they make a speech, as opposed to an intervention, they are expected to remain until the debate is finished.

Jack Lopresti (Filton and Bradley Stoke) (Con): I beg to move,

That this House has considered the effect of the EU referendum on Gibraltar.

It is a pleasure to serve under your chairmanship, Mr Evans. I declare an interest: I am the chairman of the all-party group on Gibraltar. I have visited Gibraltar several times, funded by the Gibraltar Government, and I hope to visit again in September for Gibraltar's national day. I also declare that I was the parliamentary lead for the Brexit campaign for a large part of the south-west of England, so, naturally, I was delighted by the result a month ago. Once again, we will be a free, sovereign and independent people, and that includes Gibraltar.

I welcome and congratulate the Under-Secretary of State for Exiting the European Union, my hon. Friend the Member for Worcester (Mr Walker), on his new position and I am sure that his father would have been very proud to see him occupying it. This is an historic occasion, as it is the first time that a Minister from the Department for Exiting the European Union, or the "Brexit Department", has responded to a debate in this House.

Of the 23,000 members of the electorate in Gibraltar who were entitled to vote in the EU referendum, 96% voted to remain; there were 19,322 votes to remain as opposed to 823 votes to leave. Admittedly, that is slightly less than the 98% of the electorate who voted to remain British, but it is very impressive all the same. For perspective, however, that result in Gibraltar has to be seen in the context of the whole UK, where there were 17.4 million votes to leave, and as the Prime Minister has said, "Brexit means Brexit".

Of course we recognise and understand the uneasiness, nervousness and fear that many people—including a large number of people in Gibraltar—are feeling at the moment. When the Chief Minister of Gibraltar spoke to the all-party group a couple of weeks ago, he described grown men being reduced to tears by the referendum result. However, I am told that the report in the *Financial Times* that Gibraltarians would like another referendum on their membership of the EU was not accurate.

Those feelings are obviously due to both the historical and very difficult relations with Spain—for example, Franco closed the border in 1969 and it remained closed until 1985—and to the ongoing and ridiculous posturing

by Spain. Spain has attempted to bully Gibraltar with totally unnecessary and antagonistic border delays. Also, as I have said in this Chamber on several occasions, I am sure that Spain's ongoing war of attrition against Gibraltar, including the foolish and dangerous games that its security forces play by entering British Gibraltarian territorial waters and airspace without permission, is deliberately provocative and I fear that one day it could result in a terrible and tragic accident.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I pay tribute to my hon. Friend for the work that he does on Anglo-Gibraltarian relations. Does he agree that the confrontational approach towards Gibraltar that Spain adopts is rather ironic, bearing in mind that Spain has numerous territories in Morocco? I thought that it had only Ceuta and Melilla, but upon closer inspection of the atlas, I see that Spain actually has more enclaves in Morocco.

Jack Lopresti: I thank my hon. Friend for his intervention and I would put it more strongly than that. "Ironic" is too polite a word; the fact that Spain harasses Gibraltar and constantly seeks to undermine its status when, as he says, it has overseas enclaves of its own is tantamount to hypocrisy.

Gibraltar is the only British overseas territory that has a land border with mainland Europe. Given Spanish politicians' continued use of Gibraltar to distract from their own failed policies and the dire economic situation in their own country, Gibraltar has a right to feel nervous about leaving the EU and Spain's potential response.

Gibraltar is a fantastic economic success story. It has impressive economic growth, with GDP for 2014-15 having increased by more than 10.6% in real terms on the previous year, and I understand that the forecast for 2015-16 is for a further 7.5% increase. Gibraltar has a higher GDP per capita than the UK and Spain as a whole, and one that is greatly higher per head than in the neighbouring Spanish region of Andalucia. GDP per capita for Gibraltar is forecast to be £54,979 in 2015-16, which is a long way above that of Andalucia, whose GDP per capita was £12,700 in 2015, and even above that of Madrid, which was £23,400 in 2015. Therefore, it is unsurprising that up to 10,000 Spaniards a day cross the border to work in Gibraltar.

There is a feeling in Gibraltar, however, that leaving the EU will risk the current economic model and expose Gibraltar to new threats from Spain. Gibraltar faces a clear time imperative, as established businesses consider what to do next if they require access to the single market on an ongoing basis. The Gibraltarians' large vote to stay in the EU is seen as a reflection of the fact that the EU provided a legal framework that drew red lines on how far Spain could go in imposing heavy-handed border controls and other sanctions before being called to order for breaching the law. However, international law and the UN also arbitrate on these issues, and as Spain's NATO ally, we may actually have more strength in direct negotiations than we would otherwise.

Bob Stewart (Beckenham) (Con): I congratulate my hon. Friend on securing this great and very appropriate debate. He referred to NATO. Spain is our NATO ally, and as a NATO ally, it is utterly disgraceful that it does

[Bob Stewart]

not allow our Royal Air Force aeroplanes to overfly its territory, while allowing Russian warships to rebunker at Ceuta. It is about time that our Foreign Office got a grip on this issue and explained very harshly to Spain that that approach is unacceptable, and I hope that message will also go out from this debate to the Spanish authorities.

Jack Lopresti: I thank my hon. Friend for his customarily robust intervention, and of course he is absolutely right. As he says, it is astonishing that a NATO ally should do that. It costs the British taxpayer several thousand pounds extra every time there is an RAF flight to Gibraltar, because the RAF does not have overfly rights with Spain, so its planes have to take a slightly longer route. It is also astonishing, given what is happening in the world with Russian aggression, that the Spanish are not only content to receive Russian warships but encourage them to refuel in their Moroccan territories. Those of us on the NATO Parliamentary Assembly are working towards getting that message—loud and clear—up the chain of command, because the current situation is appalling.

The people of Gibraltar should be reassured that my right hon. Friend the Member for Witney (Mr Cameron) said on his last day as Prime Minister that there would be no talks on sovereignty—joint or otherwise—against the wishes of the people of Gibraltar. I was extremely pleased that the new Foreign Secretary said last weekend:

“I was delighted to meet Chief Minister Picardo. I reassured him of both our steadfast commitment to Gibraltar, and our intention to fully involve Gibraltar in discussions on our future relationship with the EU.

The people of Gibraltar have repeatedly and overwhelmingly expressed their wish to remain under British sovereignty and we will respect their wishes.”

Importantly, he went on to say:

“We will never enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another State against their wishes. Furthermore, the UK will not enter into any process of sovereignty negotiations with which Gibraltar is not content. We will continue to take whatever action is necessary to safeguard Gibraltar, its people and its economy”—

and crucially he concluded:

“including maintaining a well-functioning Gibraltar-Spain border.”

Not only does Gibraltar wish to remain British—that is a right that we will always fight for—but it is a vital strategic military asset for the United Kingdom. It is one of our key forward operating bases in the Mediterranean and commands the straits. I look forward to the day when one of our new Queen Elizabeth-class aircraft carriers visits Gibraltar.

There are two key issues for Gibraltar: the freedom to provide services, and a free-flowing frontier. Therefore, when the Minister sums up, I would like him to assure us that Gibraltar will not be a side-discussion that is left to the end of the negotiations on Brexit and therefore allowed to be bargained away, but that it is a red line that any bilateral treaty must include. Britain will need to be robust in the EU and the UN and in its lobbying of other countries to counter the consistent lobbying of them by Spain, as it presses its own sovereignty claim on Gibraltar. Importantly, the EU must not be allowed to take sides against the UK and Gibraltar on this issue

in any way. We should increase our efforts in the UN to remove Gibraltar from its list of non-self-governing territories, as Gibraltar is clearly self-governing.

To reassure Gibraltar and its business community, I ask the Minister to act immediately and take one initial and hugely supportive step: establish a common single market between Gibraltar and the UK. It is within the British Government’s remit to do so. It is an entirely domestic matter that can be agreed by Her Majesty’s Government and the Government of Gibraltar bilaterally at any time without any EU involvement. It will give our Government some of the tools they need to stand ready to robustly defend Gibraltar if Spain exerts pressure, such as introducing heavy-handed frontier controls, during the future negotiations with the EU.

We must seek and promote the opportunities that Brexit presents to the people of Gibraltar. Gibraltar is building its own world trade centre, and unshackled from the EU, it will be able to maximise its ability to trade globally and to seek and secure bilateral deals with its nearest neighbours and worldwide. As part of the Great British family, Gibraltar and the UK will thrive and prosper out of the EU. The United Kingdom is the fifth largest economy in the world. We trade globally. We are the biggest defence spender in Europe—the fourth biggest in the world—with the world’s best armed forces. We are one of the five permanent members of the UN Security Council. We have one of the best diplomatic services across the world. We have a unique relationship with the United States and the Commonwealth.

Unshackled from the European Union, we will thrive and prosper as a nation even more. We will be free to make trade deals all over the world without the increasingly restrictive practices of the European Union. Gibraltar, as part of the Great British family, will also gain great advantages from being unshackled from the European Union and being free to trade with the world. The fact is that Gibraltar is British and will stay British as long as it wishes.

Mr Nigel Dodds (Belfast North) (DUP): Will the hon. Gentleman give way?

Jack Lopresti: I was on my last sentence, but please go ahead.

Mr Dodds: I thank the hon. Gentleman. I apologise for interrupting his peroration. I congratulate him on securing the debate and on his re-election as chair of the all-party group. On what more we can do to reassure Gibraltar, one of the issues that came up at the last all-party group meeting was a desire not only to frame things in the negative, where we talk about having no discussions and no ceding of sovereignty unless the people of Gibraltar agree, but to adopt a more positive attitude, with the British Government saying, “We cherish Gibraltar. We value it, and we want it to remain British.” In all our discussions, we need to emphasise that we look positively on Gibraltar’s Britishness.

Jack Lopresti: Absolutely. A lot of us have been fighting almost a rearguard action, initially in the days following the referendum, against all the negativity. There seemed to be a grey cloud over people who were on the wrong side of the debate, so far as the referendum

went. We all know that optimism is a great driver of business and opportunity. We have a responsibility to re-emphasise and reinforce—I hope the Minister will do so—the fantastic period that can come after Gibraltar is free to trade with the whole world in its own right. Gibraltar is in the hearts of everyone here in Parliament.

9.43 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate, and I congratulate the hon. Member for Filton and Bradley Stoke (Jack Lopresti) on securing it and on setting the scene so well. We look forward to hearing the new Minister. I wish him well in his new position. We missed him in Belfast at the credit unions international conference, but his name was held in high esteem. He will know that anyway, and we look forward to his deliberations on this matter.

The hon. Member for Filton and Bradley Stoke has always been a friend of Gibraltar and I welcome his commitment to the Rock as we embark on our new relationship with the EU as a nation, including Gibraltar. Clearly, what he and the rest of us will do in our contributions is set the scene for Brexit and say how we can look forward positively to securing our future and that of Gibraltar outside the EU.

To give a bit of background on Gibraltar's relationship with the EU—I am sure Members are aware of this—in 1972 the UK Act of Accession to the European Economic Community applied the EEC treaties to Gibraltar, with the crucial exception of the customs union, the common commercial policy, the common agricultural policy, the common fisheries policy and the requirement to levy VAT. Gibraltar has been in the EU since 1973 as part of the UK's membership and applies EU law except in those four areas. If the exemption has worked, there is more that can work to the advantage of Gibraltar in how we move forward. The exemption from those areas means that potential difficulties in Gibraltar leaving the EU may be averted. The debate gives us all a chance to challenge the Minister, and I know he will clearly hit upon those things in his response. It is nice to have some people in the Gallery who have a particular interest in Gibraltar. Some are former Members of this House, and we are pleased to see them here today.

Importantly, Brexit will not alter Gibraltar's constitutional status in relation to the UK—a relationship most of us are very proud of and very loyal to, as this debate will outline. Many will remember that the border between Spain and Gibraltar was closed between 1969 and 1985, before being reopened around the time that Spain joined the EEC. EU free movement rules have meant that the border has remained open ever since, despite the Spanish obstructions, of which we are all aware—they are well documented, and the hon. Gentleman referred to some of them in his introduction. When the UK leaves the EU, if we do not apply to stay in the European economic area, the free movement principle will no longer apply. That will need to be addressed as part of the Brexit negotiations.

I had a chat last night to the Secretary of State for Exiting the European Union. He indicated some of the problems that there would be, some of the ways forward and how his staff will work on that. Spain will be able to close the border and establish border and passport controls, and the Spanish Government indicated in

May 2016 that it might do so if the UK voted to leave the EU. Spain has been obstructive, regardless of EU principles. The reality may well be that the operation of Gibraltar's frontier with Spain will be determined by the relations between the United Kingdom and Spain.

Within hours of the result, the Spanish Foreign Minister, José García-Margallo, crowed:

“The Spanish flag is now much closer to the Rock.”

The Chief Minister of Gibraltar, Fabian Picardo, responded in his usual manner to all these sorts of threats over sovereignty by saying:

“Another day, another stupid remark.”

The Foreign Office insists it will not even discuss the issue. Perhaps the Minister can give some indication of that in his response. I welcome the position the new Foreign Secretary has adopted so far.

Bob Stewart: I am extremely disappointed with the way that the Foreign Office pussyfoots around on this matter. It spends its time summoning the Spanish ambassador and giving him a wiggling, and he goes off and nothing changes. It is about time our Foreign Office had some courage and did something, and represented the people of Gibraltar better.

Jim Shannon: I thank the hon. Gentleman for his comments. This debate will give us all a chance to show that commitment and that eagerness to have the Foreign Office respond more robustly to any deliberations that come from Spain.

We need to strike the right balance between defending Gibraltar and the United Kingdom's interests and developing an understanding relationship with Spain to succeed in securing Gibraltar's stability. The Chief Minister of Gibraltar, Fabian Picardo, has held talks with the Scottish First Minister, Nicola Sturgeon, where the suggestion was made that they, along with my home nation of Northern Ireland, could maintain the UK's membership of the EU, while England and Wales leave the EU. Let us be clear: the referendum has spoken. The majority of the people of the United Kingdom of Great Britain and Northern Ireland have indicated that they wish to leave the EU. That decision has clearly been taken.

Mr Gregory Campbell (East Londonderry) (DUP): Does my hon. Friend agree that the assurances are excellent? We are glad to see the Secretary of State for Exiting the European Union and other Government Ministers offer those assurances to the people of Gibraltar, but Gibraltarians and other regions in the UK want and hopefully will see more than just assurances post-Brexit. They want action to ensure prosperity outside and beyond the EU, so that those regions and Gibraltar in particular will benefit from the post-EU position.

Jim Shannon: I thank my hon. Friend and colleague for his comments. The debate clearly gives us all a chance to chart and look forward to how Gibraltar outside the EU can succeed even better than it has. It is good to have on record that those voting to leave the EU had a majority of 1.3 million. In Scotland and Northern Ireland, the vote was to remain, but the 1.3 million people who voted no—who voted for out—in Northern Ireland and Scotland made the difference in the whole United Kingdom. We have to keep it in

[Jim Shannon]

perspective. We took that decision collectively as the United Kingdom of Great Britain and Northern Ireland. The decision has been made, let's move on.

It is difficult to see an outcome where the UK would have regions staying in the EU and regions leaving the EU. Indeed, some of the most staunch remain campaigners are beginning to concede that fact at last. It is therefore now most important that the concerns voiced by all those in regions with specific relationships with the EU continue to enjoy the benefits that made the regions vote to remain in the first place. We have a task to do, but we can do that task. We can be positive and look forward with optimism to the future and how we can achieve those goals. Whether that means retaining, replicating or replacing, it is now the job of the Brexit negotiation team, the Department for Exiting the European Union and all those involved to make sure that any potentially negative outcomes are mitigated and reduced.

Gibraltar's booming economy, which grew at more than 10% in the past year, relies to a large degree on the thousands of Spanish workers who cross the border every day. Some hon. Members in the Chamber today have attended Gibraltar events, where we had an opportunity to hear about some of the economic benefits coming to Gibraltar through their relationship with us in the United Kingdom of Great Britain and Northern Ireland. It is important that we focus on those things as well.

Thousands of Spanish workers cross the border every day. That needs to be factored into the Brexit process to ensure that Spanish people are not put off working in Gibraltar should there be a need for work permits. Christian Hernandez, president of the Chamber of Commerce on the Rock, said that the Rock's thriving financial services sector is at risk, too. He claims:

"The whole way we've marketed the jurisdiction is as a gateway into Europe."

There is a job to do, but we can look forward to it with confidence. Most industries will prove immune to Brexit. Roughly 90% of Gibraltar's insurance and online betting business consists of transactions with Britain. Low tax rates will ultimately help keep firms in place. Again, there are many things we can do to ensure that that happens.

The reality of the economic situation in the neighbouring Spanish regions is likely to mute any real Spanish aggression. Gibraltar provides a whopping 25% of the economy of the neighbouring Spanish area of Campo de Gibraltar, and the region of Andalucia as a whole suffers 32% unemployment. The mayor of the border town of La Línea de la Concepción, Juan Franco, concedes:

"Our economy is completely dependent on Gibraltar."

A 30-year-old resident of the same town, who commutes daily from La Linea to her waitressing job, has never been able to find a job in Spain. At 30 years old, it is staggering to hear her say:

"The only money I've ever earned is in Gibraltar."

Some think the future will be brighter; let us be confident that it will be. With the support of the Government, we know that it can be. To give a couple of examples of major developments, a Shell-operated liquid natural gas terminal will come online by mid-2017, and

a new secure data facility is housed deep within the Rock. The potential for Gibraltar is good. It is positive and we should be confident of where we are going.

The local Government hope to use their significant autonomy to forge tighter links with Morocco and other emerging economies in Africa and beyond. We all have to pay close attention to the Rock and give the people all the support that they need, but things are still certainly looking bright for Britain in the sun.

9.53 am

Robert Neill (Bromley and Chislehurst) (Con): It is a pleasure, as always, to serve under your chairmanship, Mr Evans. I congratulate my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) on securing this debate. Like him, I declare an interest, in this case as secretary of the all-party parliamentary group for Gibraltar. The visits I have made to Gibraltar are set out in the Register of Members' Financial Interests. It is appropriate that we should both speak in this debate because we took entirely different views on the referendum. However, we share a determination, now that the decision has been taken, to achieve the best possible deal for the people, economy and sovereignty of Gibraltar, which is a totally committed part of the British family. We seek to find constructive ways in which we can work with the Minister—I welcome him to his place. I share the sentiments that his father would be delighted to see him here, if perhaps a little surprised at the role he occupies, which means he will respond to the debate.

I want to stress two things. Given the decision, there are two practical issues that absolutely must be addressed on Gibraltar, the first of which is the freedom of movement across the frontier, which has been referred to. Although Spain has behaved badly in the past regardless of EU membership, we have been responsible for Gibraltar's external relations and have at least been able to threaten the use of European law in relation to free movement. We will not have that valuable lever in the same way in future. Within the negotiation on the arrangements that we make to leave, we need a cast-iron safeguard that Gibraltar will be protected. It is different from anywhere else in the UK, as has been observed, because of the land border issue and because of the dependency of its economy on movement across the frontier—that dependency would exist even if, as my hon. Friend the Member for Filton and Bradley Stoke and I both hope, Gibraltar develops its economy and trade links beyond the EU as well as continuing those within. That movement will be necessary to service the economy come what may, so it absolutely must be maintained.

My second point concerns the importance for Gibraltar of achieving access to the single market in terms of passporting rights for financial services. That is as important to the Gibraltar economy as the financial services sector in the City of London and beyond is to the United Kingdom economy. The ask for the Government is, in the negotiations, for Gibraltar to achieve the same rights of access, especially around financial services, that we achieve for the City of London, and that Gibraltar is not, because of its small size, seen as a trade-off in the bigger game. Those are two key and practical objectives.

To do that, I suggest we need three or four things. First, Gibraltar must have full involvement rather than consultation, which was the phrase initially used—I am

glad that the Government have moved in that direction. That full involvement must be on the same basis in the negotiations as the other devolved Administrations within the United Kingdom. I hope my hon. Friend the Minister and my right hon. Friend the Foreign Secretary take on board the importance of contradicting the assertion of the Spanish Foreign Minister, Señor García-Margallo, who was quoted as saying:

“It must be made absolutely clear that Gibraltar is not part of the negotiations.”

We need to say it must be made absolutely clear that Gibraltar must be part of the negotiations and that there can be no movement on that.

The second thing we can do is ensure that that involvement is practical. It says a great deal for our Prime Minister that, on the morning before she went to Buckingham Palace to kiss hands, she took the trouble, while still Home Secretary, to meet personally with the Chief Minister and Deputy Chief Minister of Gibraltar. That sets a good tone. All of us who wish Gibraltar well cannot thank her enough for that effort. I know the Foreign Secretary has also met the Chief Minister, and I hope that the Secretary of State for Exiting the European Union will also do so. That presence is really important. Perhaps at some point we will be able to have another prime ministerial visit to Gibraltar. Sadly, the visit by my right hon. Friend the Member for Witney (Mr Cameron) was cut short because of tragic circumstances, which overshadowed what otherwise was an important statement during the referendum campaign.

The next practical thing, as my hon. Friend the Member for Filton and Bradley Stoke has already referred to, would be the swift conclusion of, in effect, a common market free trade agreement between Gibraltar and the UK. There is no legal impediment to our doing that while we remain within the European Union, so it does not have to wait for the article 50 process to go through. That is something we could get on with straight away. That is important because it would give a big confidence boost to Gibraltar's economy.

The other thing we could do in terms of economic confidence is in relation to the British Government's direct stake in the economy through the locally employed military personnel of the Ministry of Defence establishment there. I hope the Government will make it absolutely clear that, to resolve any uncertainty or pressures, under these circumstances there is no question whatever of any reduction in the workforce locally employed in the MOD establishment. That would certainly be the wrong thing to do, as many of us believe, in any circumstances, and certainly not now. That is entirely within the British Government's gift to achieve immediately. I hope the Minister will be able to make those matters clear.

There are challenges and we must work together to meet them. The Government of Gibraltar and all parties in the Gibraltar Parliament are willing to do that. They have established a good relationship here. There is political uncertainty in Spain, and the double standards sometimes reflected in the Spanish Government's dealings have been referred to. Of course, we will have to continue to work with Spain as a neighbour and an ally. It is a great shame that the attitude it adopts towards Gibraltar has sometimes clouded what could otherwise be useful and constructive relations, but that cannot get in the way of our basic commitment to people who have voted repeatedly to maintain British sovereignty, and it cannot get in the

way of our obligation to them to achieve those practical and entirely achievable objectives on their behalf, which we can achieve provided there is the political will. I do not doubt the Minister's personal commitment to that, and I hope he will signal very clearly the Government's commitment to those objectives and practical endeavours.

Several hon. Members *rose*—

Mr Nigel Evans (in the Chair): Order. So that Members know, I intend to call the Front-Bench spokesmen to wind up no later than half-past 10.

10 am

Andrea Jenkyns (Morley and Outwood) (Con): It is an honour to serve under your chairmanship, Mr Evans. The evening of the 23 June was a huge moment for this country. As a campaigner for leave, I was obviously delighted that Britain voted to follow a new path in the world, but we cannot deny that the people of Gibraltar voted by an overwhelming margin to remain in the EU.

Being so close to another EU country, the people of Gibraltar are right to have concerns about what leaving the EU means to them, but one thing is for sure: Gibraltar is British, Gibraltar will remain British and Gibraltar wants to remain British. In 2002, 99.5% of the population of Gibraltar voted to reject joint sovereignty with Spain. That was the second vote that the people of Gibraltar had taken on the subject. They first went to the polls to decide their sovereignty in 1967, when 99.6% of people voted to stay with Britain. Just 44 people voted to side with the Spanish; in 2002, that number was 187. Just 823 people voted to leave the EU on 23 June. Although that may still be a minority, it is definitely a much larger one. My point is that the people of Gibraltar are British, they feel British and their overwhelming view is that they want to remain British.

Let us not rehash the arguments of the referendum. Let us put it to one side and move on, accepting that the decision was taken as one nation and that now we must focus on making the best of it as one nation. Much as it does for the rest of the UK, leaving the European Union opens up a huge range of opportunities for Gibraltar. It now has the opportunity to expand its horizons beyond the northern border to opportunities in the south and the west, using its unique geopolitical position, in the corner of Europe, Africa and the Atlantic, to multiply the trade opportunities that were previously shackled by Brussels.

One example would be Morocco. Over the last decade, Morocco has significantly liberalised its trade regime and strengthened its financial sector. The Casablanca stock exchange is the second largest in Africa and aspires to be the regional hub. With Gibraltar's strong financial sector, a well-negotiated treaty with Morocco could boost both the Gibraltar and Moroccan economies. Thanks to the Prime Minister, we now have a Department for International Trade that is ready to strike those deals. Why, when we have the opportunity to expand our horizons in that way, would we look only to Gibraltar's nearest neighbour? That is at the very heart of why we voted to leave the European Union. We voted to look up from the Brussels negotiating table and see the rest of the world and all the opportunities that it presents. Gibraltar can benefit from that, quite simply by being close to many of these growing markets.

[*Andrea Jenkyns*]

We must obviously work to make sure that the concerns of the people of Gibraltar are recognised. That is why the Prime Minister has repeatedly asserted that we will not go ahead with any negotiations unless they involve every part of the United Kingdom, including Gibraltar.

Daniel Kawczynski: I very much agree with my hon. Friend's sentiment that the United Kingdom can now use Gibraltar in partnership for engaging with Morocco. Morocco is a very stable, good ally of the United Kingdom. Does she agree that, going forward with the new Department, we can work in partnership with Gibraltar to penetrate the Moroccan market?

Andrea Jenkyns: I wholeheartedly agree. We will not go ahead with a deal that all the nations and territories that make up the UK are not happy with. It is in that spirit that I am delighted to hear the words of Daniel Feetham, the leader of the Opposition in Gibraltar, who said:

"We must deal in hope. We have a duty to set out a positive and workable road map for the future. I remain positive that we can do that."

Those remarks show exactly the attitude that Government officials in areas that voted to remain should be taking—not talking about second referendums or somehow brokering a deal to keep other areas in the EU, but working together to create the best way forward for all parts of our nation. There is a lot to be positive about for Gibraltar outside the EU. I look forward to seeing what the future has in store.

10.5 am

Andrew Rosindell (Romford) (Con): I commend my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) for calling this debate. The people of Gibraltar are British. They are not different from any of us here in this room or any of our constituents. What Her Majesty's Government simply have to do at this point is to forget that Gibraltar is somehow different from our own United Kingdom. It may not be part of the United Kingdom constitutionally, but in every other sense Gibraltar is part of the Great British family. In any negotiations that are going to affect Gibraltar in the long term, as we discuss our new relationship with the EU and our new path that we are heading along in the wider world, we must include Gibraltar at every stage.

In previous discussions involving Gibraltar, I am afraid to say that our Foreign and Commonwealth Office has thought about Gibraltar at the end of the negotiations, not at the start. This time, things have to be different. I am delighted that Her Majesty's Government have now made it clear that Gibraltar will be treated equally with every other part of the United Kingdom—Scotland, Wales, Northern Ireland and, of course, England. Gibraltar should be treated the same and should be included equally. I say to the Minister, who I welcome to his place—I know his father would be proud of him sitting on the Front Bench today—that whatever agreement comes out of this, Gibraltar must be included in all of those discussions at the start. If it is not, there is no question but that the Government in Madrid—particularly the existing Government—will try to scupper any

negotiations by trying to force our Government to give some sort of concession over Gibraltar. That cannot happen and has to be ruled out immediately.

I am sorry that my hon. Friend the Member for Beckenham (Bob Stewart) has left, because what he said earlier was completely correct. Our FCO has pussyfooted around and been weak for far too long. When Spain shows aggression towards the people of Gibraltar, when it makes life difficult for the people of the Rock, when it stops legitimate travel from one side of the frontier to the other by creating artificial delays, and all the other tricks they play in trying to make life difficult for Gibraltar, we simply have to say to the Spanish, "If you do that to the Gibraltarians—if you make their life hard—you are going to feel the wrath of the British people." We will not accept it, not at any time, now or in the future. If they treat Gibraltar like that, it is like treating the United Kingdom in that way.

Daniel Kawczynski: Does my hon. Friend agree that the infringements of Gibraltar's maritime area by Spanish vessels are increasingly alarming, and that the FCO needs to do more to let Spain know that they will not be tolerated?

Andrew Rosindell: My hon. Friend is completely correct. Over the last 15 years as an MP, I have watched how Gibraltar has been treated, as I know you have, Mr Evans. I am afraid to say that we have let the people of Gibraltar down, because when we see incursions into British waters, we simply do not do very much. We might bring the ambassador in, tell him off and say that it is unacceptable, but we are never prepared to take firm action to show the Spanish Government that there are consequences. If they treat Gibraltar in this way, if they illegally allow vessels to go into British Gibraltarian waters, and if they carry on making life tough for the people of the Rock and try to prevent them from being treated equally, we have to say that that is not acceptable. We have to show the Spanish that we are prepared to take retaliatory action if needed.

None of us in this Chamber wants to go down that route. Spain should be an ally of the United Kingdom and a friendly country, but it does not behave like that when it comes to Gibraltar. My hon. Friend the Member for Filton and Bradley Stoke is working to raise the issue of NATO flights, and those of us on the NATO Parliamentary Assembly are also going to take up that matter. Spain is supposed to be a NATO ally—a friendly country; a country with which we should be working closely—but how can we work with it if it singles out a section of the British family and effectively bullies them? That is not on, and no one in this House should be willing to stand by and let it happen for a moment longer.

So what should we do? There are lots of practical things we could do. My hon. Friend the Member for Bromley and Chislehurst (Robert Neill) spoke eloquently and listed a number of things that we should be doing. First, we can bilaterally agree a common market with Gibraltar. That would reassure it enormously, and would mean that any trading arrangements that are put in place apply as much to Gibraltar as to our own constituents.

Jack Lopresti: My hon. Friend is talking about the NATO context. Yes, Spain ought to be a friendly country and an ally. We are duty-bound and treaty-bound by

article 5 to come to its defence. If it were attacked by an external enemy, or any enemy, we would potentially send our people into harm's way to defend it.

Andrew Rosindell: Absolutely. I believe the fact that Spain continues to behave in this manner is a complete breach of the spirit of the NATO treaty. It is very sad for the Spanish people that their Governments continually behave in this way. I do not think that the Spanish people—I speak to a lot of them—have that attitude. Certainly the people who live in La Línea and the Andalucía region do not have any animosity towards Gibraltar. In fact, their economy is dependent on it.

Robert Neill: My hon. Friend is making a very important point. The attitude of the central Government in Madrid stands in marked contrast with that of the regional Government in Andalucía, which has always maintained very good relations, that of most of the neighbouring local authorities in the area, and that of the trade unions and most of the business community. The trouble is that Madrid does not seem to care about what happens in Andalucía and the Campo.

Andrew Rosindell: Sadly, my hon. Friend is correct. The Government in Madrid use Gibraltar as a political weapon. I say to the Spanish Government—I hope the Spanish ambassador is watching this debate—that it simply has to stop. Our leaving the European Union means that we can defend Gibraltar more strongly, because we have the power to act against Spain if it acts against British Gibraltarians. None of us wishes to go down the route of retaliatory action but, as my hon. Friend the Member for Beckenham said, we cannot pussyfoot any longer. We have to be clear that an attack on Gibraltar in any sense is an attack on the United Kingdom. We treat it equally to any other part of the British family.

Let me go back to the practical things that we can do to help Gibraltar immediately. Of course, as my hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) made clear, the people of Gibraltar voted to stay in the European Union. I do not think they necessarily like the EU more than we do, but they are in a special situation: they have a frontier, and they are deeply fearful—and rightly so—that Spain will use the departure from the EU as an excuse to make life difficult and even to close the frontier. I understand 100% why the people of Gibraltar voted the way they did, and why they are so fearful for the future. We now have to do everything possible to help them.

I hope the Minister will quickly take up the common market idea, which the Chief Minister, Fabian Picardo, has been promoting. Let us try to do these things quickly. Let us not wait. Let us rein back any suggestion that the jobs of the locally employed civilian staff on the military side in Gibraltar will be lost. The people of the Rock are dependent on the financial services and gambling industries, so we must do all we can to protect them. At the end of the day, we have a duty of responsibility to Gibraltar, so we cannot let it lose its financial self-sufficiency and its status in the world—I did not know this until yesterday, but it is the wealthiest part of the globe per capita. It is an enormous success story, and we should be proud of what it has achieved. When the military bases were taken away, it had to regenerate its financial services, gambling and other industries to

be self-sufficient. Gibraltar does not depend on the UK Government. It is not like the one or two of our overseas territories that still depend on financial support. It is self-sufficient and wants to remain so. We have a duty and a responsibility—it is in our interests—to make sure it does.

There are other things we can do. I again raise a point that I have raised with previous Ministers. I find it outdated that the people of an overseas territory—particularly Gibraltar—have no voice in this Parliament. There is not even a dedicated Select Committee that deals with overseas territories. There is no elected representation from overseas territories in the UK Parliament. We are the only country in the world with overseas territories that denies them the right to have a voice and some form of representation in Parliament. Gibraltar had to fight very hard to get a voice in the European Parliament. In the end, an MEP—or a share of an MEP—was granted for Gibraltar as part of the South West region. We make decisions about defence, foreign policy, the control of sterling, which Gibraltar uses, and many other things besides, but it is not possible for a Gibraltarian to stand in this Chamber and speak for Gibraltar. It is great that there are so many friends of Gibraltar here, but there should be a mechanism for Gibraltar and the Chief Minister to formally come here and speak for themselves. All sorts of options about how we can include Gibraltar—and, indeed, other overseas territories—after leaving the European Union should be on the table.

Among our overseas territories, Gibraltar is by far the most important issue in relation to Brexit. However, I ask the Minister not to forget that there are 21 territories and dependencies, all of which are nervous about the implications for them if we leave the European Union. Gibraltar is by far the most important one in this context, because it is part of the EU, but I ask the Minister not to forget the Crown dependencies—the Isle of Man, Jersey and Guernsey—because protocol 3 allows them access to free trade with Europe. Equally, other overseas territories, in particular the Falklands, have concerns too.

Jack Lopresti: I take issue with my hon. Friend's statement that Gibraltar does not have a voice here. There is an all-party group, and it has friends and allies in both Houses. I think he needs to clarify that saying it does not have a directly mandated representative is very different from saying it does not have a voice in this place.

Andrew Rosindell: My hon. Friend is completely right. The all-party group on Gibraltar, which he ably chairs, is one of the most effective groups in the Houses of Parliament. In that sense, Gibraltar has a stronger voice than almost anywhere, because there are so many of us who support it. I am delighted that all parties support Gibraltar, particularly friends from the Scottish National party, the Ulster Unionists and the Labour party, although there are not many Labour Members here today—

Catherine West (Hornsey and Wood Green) (Lab): Quality, not quantity.

Daniel Kawczynski: My hon. Friend is too modest to say this, but he has spent a huge amount of time campaigning for Gibraltar, certainly over the last 11 years for which I have been a Member of Parliament. We are

[Daniel Kawczynski]

reducing the number of MPs in the House of Commons from 650 to 600, but is he saying that we ought to have a dedicated Member of Parliament sent by Gibraltar to this Chamber?

Andrew Rosindell: I do not see any arguments why Gibraltar should not have its own Member of Parliament. We now have a devolved United Kingdom, with a lot of powers devolved to Governments in Scotland, Wales and Northern Ireland. I can see no logical reason why, at a general election, the people of Gibraltar should not be able to send their own representative to Parliament, just as territories of other countries are able to do. That, however, is a debate not for today, but to be put on the table as something to be considered.

At the end of the day, we have a duty and a responsibility, because the people of Gibraltar are not foreign. They are not from a different country; they are part of our family. The one message that we must send out loud and clear from this place is that, whatever happens in the next two years, the people of Gibraltar will be given the same consideration—equal precedence—as we would expect for our own constituents. We cannot find people in the British family who are more loyal and more dedicated to the United Kingdom, to upholding the British Crown and British values, and to serving in Her Majesty's armed forces—equal to Northern Ireland, or even to Romford; no question. Whatever we feel about other issues, the one thing that we have a duty to do is to ensure that when the negotiations take place, Gibraltar is not, and is never, forgotten.

10.21 am

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I am particularly pleased to see you in the Chair, Mr Evans. I also welcome the Minister to his place. He is a man whose career I have watched since he was first elected in 2010 and, to echo the words of many, his father would indeed be proud of him. I thank the hon. Member for Filton and Bradley Stoke (Jack Lopresti) for securing the debate, which is important, timely and perhaps one we should have had before the Brexit referendum. However, we are having it now and, as with many other things, we are having to think about the implications of Brexit after the referendum.

I should say that, like the hon. Gentleman, the chair of the all-party group, I have visited Gibraltar as a guest of its Government. I have made a speech in Casemates Square, in front of about 10,000 people, calling on Gibraltar to become a member of UEFA and on UEFA to overlook any quarrels with Spain. I put one condition on that, and the Gibraltarians have not broken it, which is that they must not beat Scotland in any game.

I overlooked the club aspect, however, and, as a Celtic supporter, I feel that I should have put in a caveat about Lincoln Red Imps ever playing Celtic. Last week, I was stunned to see Celtic lose 1-0 to Lincoln Red Imps—a result I hope will be overturned tonight, if that does not upset friends in Gibraltar too much—which shows that we have to tread carefully, because we cannot foresee the implications of our words, much like the implications of a Brexit exit. The referendum has many such implications.

To put football to one side—it is a bit of a sore point—and speeding on, we know from the referendum that 96% of Gibraltarians wanted to remain in the EU. I heard the hon. Member for Romford (Andrew Rosindell) saying that they probably do not like the EU much, but I often reflect on that point when I hear people at all sorts of levels complaining about all sorts of levels of government: in Scotland, they complain about the local councils; they even complain, believe it or not, about the Scottish Government, although very little; of course, they make massive complaints about the Government in Westminster; and there are some complaints about Europe, although those are not as great as the ones about Westminster. The radicalisation done by the tabloid press, however, magnifies the European ones to a greater extent than many of the other complaints, so it is important to keep them in perspective.

The prospect of leaving the European Union has created real alarm in Gibraltar. The root of that alarm, which has not been touched on today, is the feeling that the border could close, resulting in the economic stagnation of Gibraltar. The hon. Member for Bromley and Chislehurst (Robert Neill), in an exchange with the hon. Member for Romford, pointed out the benefits to Andalucia, and La Línea in particular, from 11,000 people crossing the frontier daily. Those crossings are very important not only to La Línea, but to Gibraltar, because the essence of the exchange in business and trade is that both parties benefit.

The problem was emphasised, I think by the hon. Member for Bromley and Chislehurst, who said that the Madrid Government simply do not care—the Governments of Andalucia and of Gibraltar care, but, unfortunately, in Madrid they are still playing an empire game. That imperialist mindset should have gone, given the changes in south America and most of the rest of the Spanish empire, but residues are left—isolated rockpools of thinking. Gibraltar, I am afraid, is a victim of such a rockpool.

Spain will, I hope, think and act maturely, because—the hon. Member for Romford said something similar—friends of mine in Spain do not have that attitude towards Gibraltar at all. In fact, in La Línea, people have a very practical attitude towards Gibraltar. Furthermore, the Chief Minister of Gibraltar, Fabian Picardo, has said that if given the opportunity of further co-operation with Spain, he could double the amount of jobs he has given to people in La Línea.

Gibraltar is an economic magnet, but it cannot itself find the workforce necessary to service its own job needs. In some ways, the situation is similar to that of our friends in Iceland, who find that their economy is growing so fast at the moment that about 10% of the population are migrants who have to come in to service Iceland's need. Gibraltar needs migrants daily; it cannot house them, but, fortunately, just over the frontier people are living who can migrate, or commute, daily for work needs. That is important to remember, because there we have the nub of the fear about Gibraltar's problem: if the frontier closes, the economic stagnation of Gibraltar could happen.

If that happened, the prosperity of Gibraltar, which we have talked about, would evaporate and disappear. The responsible thing for Europe as a whole to do, as mentioned by several speakers, is to ensure that that does not happen. Okay, Ireland has three times the

growth of the UK and Iceland double the growth, but at the moment the UK and other countries in Europe generally do not have the best of economic situations—in the Iberian peninsula, in particular. To see a honeypot, which is what Gibraltar is, in any way threatened, or even talk of being threatened, is absolute madness on stilts. I hope the Government in Madrid will listen to the Government of Andalucia and take cognisance, so as to ensure that any damage to the economy does not occur.

Gibraltar is an interesting place, as many of us who have visited know: it is British, but not in the UK. That is a very happy circumstance, which I hope Scotland will emulate someday—being British, but not in the UK, as Norway or Sweden are Scandinavian, but not in any Scandinavian political union. That is a way for Scotland to go, so there is a lot that Scotland can learn from Gibraltar about being British but not in the UK. More and more people are looking to Gibraltar for a good example of where to go, and I understand that the people of Gibraltar are looking to Scotland—I hope to touch on that later.

Gibraltar is a nuanced place. I had a moment of mutual fun with a Member from Northern Ireland, who should perhaps remain nameless, when we walked into a café in Gibraltar. There on the wall was a picture of Her Majesty the Queen, which in Northern Ireland means something very particular, but on the other wall was a picture of the Pope. That shows the nuanced history of Gibraltar and its differences from other places. That should be borne in mind: Gibraltar is its own place. It is not an arm or satellite of ours; it is its own place, with its own right of self-determination. If the people of Gibraltar choose to have a close connection with the United Kingdom and to London or wherever, that has to be respected.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Before I make any comment, I should point out that, like my hon. Friend, I have been a guest of the Gibraltar Government on the same terms as the chair of the all-party group.

On the subject of the sense of place, and the rights of and responsibilities for Gibraltar, does my hon. Friend agree that the overwhelming democratic will of the people of Gibraltar, as stated in the European referendum, must absolutely be respected? It is our responsibility, and an obligation, to ensure that we carry forward their clear message.

Mr MacNeil: Indeed. I absolutely agree. The hon. Member for Morley and Outwood (Andrea Jenkyns) and the hon. Member for Bromley and Chislehurst have talked about Gibraltar being fully involved in the negotiations, on the same terms as Scotland, Wales and Northern Ireland. The only caveat that I would add is that I do not think Scotland is overly optimistic of having an equal voice. The UK is a family of nations, not a nation, as was mentioned earlier and as we were of course told before our independence referendum. In the European Union, unlike in the United Kingdom, one member's will is not imposed on other members. That would never be tolerated in Europe, where members are sovereign, but it is tolerated in the United Kingdom, where some members impose on others exactly what their constitutional future will be. The UK perhaps has

a lot to learn from the European Union model, and indeed from the words of respect that we heard from the hon. Member for Romford, who talked about overseas territories and people perhaps being governed in a looser family. That is perhaps developmental work for the years to come.

Gibraltarians of course have British nationality; I understand that they have been guaranteed full citizenship since 1981. Gibraltar joined the European Union through the European Communities Act 1972 as a dependent territory of the UK, without, as the hon. Member for Strangford (Jim Shannon) said, the customs union, the common agricultural policy or the fisheries policy, although the common agricultural policy does not apply very much to Gibraltar, in that no one could really plough a yard of it. It is, as it says on the tin, a rock. That is probably further testament to its economic success.

Mention has also been made of the idea of the Spanish flag being closer to flying on Gibraltar. The attitude from Madrid—this applies regardless of the country or place to the imperialistic idea that a country can take over somebody else's will or right to self-determination—utterly sticks in any democrat's craw. It should not take advantage a technicality, which is what I call the UK's departure from the European Union. Of course, it is not a technicality in respect of Gibraltar, but for Madrid to see that possibility in that technicality and to make mischief is reprehensible. We must remember that we are talking about machismo in Madrid, and I call on it just to drop that. The empire attitude is gone. An awful lot of nations have given up their empire stuff. Denmark did so 200 years ago and the UK did so—I hope—50 years ago, and for Madrid to maintain a little bit of it is really not useful or helpful at all.

There has been a lot of good will towards Gibraltar in the debate, which is nice, kind and thoughtful, and it is definitely appreciated, but it is not leverage. The UK has given up a lot of leverage by leaving the EU or by threatening to do so. There is concern that the border will close, and I say respectfully to the Minister, whom I like personally, that his muscle and the UK's impact are not what they could have been if we had voted to remain a member of the European Union. I would not like to see the Gibraltarian economy strangled. We need voices here—in fact, we need voices all over Europe—supporting Gibraltar. We want to hear democrats not just here but in other places across Europe supporting Gibraltar. The people of Gibraltar have the right to move in and out of Gibraltar. It is a small place. Many of them holiday up the coast in Spain, bringing it further prosperity, and Spain's behaviour is not really what we are looking for.

What is the hope for Gibraltar? From my perspective as a Scottish National party Member—I thank the hon. Member for Romford for acknowledging and taking cognisance of our interest—Gibraltar's hopes are severalfold. I think that Gibraltarians hope that the Royal Navy immediately will be a bit tougher on incursions. I have a friend—others may know this individual too—called Dale Villa, who was on a jet ski and was chased into the harbour of Gibraltar by the Guardia Civil and had either live ammunition or rubber bullets shot at him. That is totally unacceptable. The hon. Member for Beckenham (Bob Stewart) was quite right to say that Spain really has to step up to the mark and be seen as a responsible member of NATO.

[Mr MacNeil]

On responsibility, I am glad that the First Minister of Scotland has been in close contact with the Chief Minister of Gibraltar. It is no secret to anyone in this House that we hope for independence for Scotland. We hope to become a sovereign nation, as are the other 27 members of the European Union. If Scotland indeed does become an independent nation, we will be aware of our responsibilities, duties and friendships in England, Wales, Northern Ireland, the Republic of Ireland, Iceland, Norway, the Isle of Man and particularly places such as Gibraltar. Gibraltar obviously has concerns, but if it needed help, I hope—although it might be difficult—that Scotland would look to offer that help and would not run away from being helpful to Gibraltar in the future if the people of Gibraltar so decided.

With tongue in cheek, some people might say that I am angling for a Scottish Gibraltar rather than a British Gibraltar, but I am not at all. The issue is not about the idea of territory or whatever, because at the end of the day it is absolutely meaningless. It is about respecting the rights of the people of Gibraltar to live the lives they want. On that point, the 1713 treaty of Utrecht is often mentioned, but it should be buried and forgotten about. It states:

“And in case it shall hereafter seem meet to the Crown of Great Britain to grant, sell or by any means to alienate therefrom...the said town of Gibraltar, it is hereby agreed and concluded that the preference of having the sale shall always be given to the Crown of Spain before any others.”

That treaty has been superseded in many ways. The French had promised not to aid the Jacobites, but within years—about a year or two later—they did. Perhaps I am happy about that, but in the decades afterwards, the treaty of Utrecht in principle was in shreds in many places, and it is definitely in shreds now because of the UN position on self-determination of peoples. The most important thing is the 1969 Gibraltar constitution. We go over for Gibraltar’s national day, which is on 10 September. That shows that Gibraltar is a very different place and has its own say. As my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) said, it has its own sense of place, and as democrats, we must respect that.

I end on this point. The people of Gibraltar are looking at Scotland, and indeed some of them are looking at the SNP. I say to them again, “You’re welcome.” Those in Gibraltar who have already joined, but particularly those who have not, should look at snp.org/join and tell their friends. In Scotland, and certainly in the Scottish Members of the UK Parliament—wherever we find ourselves in the future—Gibraltar has a friend. I plead with other capitals across the European Union also to be friends of Gibraltar, and to understand and respect the wishes of the people of Gibraltar. That point—that we must respect the wishes of the people of Gibraltar—must be heard in Madrid from all quarters.

10.37 am

Catherine West (Hornsey and Wood Green) (Lab): It is a pleasure to contribute under your chairmanship, Mr Evans. I congratulate the hon. Member for Filton and Bradley Stoke (Jack Lopresti) on securing the debate, which is necessary in the context of what is being called nervousness. I am looking forward to hearing

from the Minister, and I congratulate him on his new role. I look forward to enjoying many a debate with him in Westminster Hall. I do not know whether his title is hereditary, but as his father was also a Member of Parliament, I congratulate him on continuing that line.

May I begin by talking about this concept of nervousness? My constituents in Hornsey and Wood Green voted similarly to the Gibraltarians. One of our polling stations, in Highgate, had 90% turnout, which was above Gibraltar’s 83.5% turnout, and 75% of people in the Haringey local authority area voted to remain in the European Union, so I understand why there is a sense of nervousness and why this debate is necessary.

On a more practical note, I am pleased that the Foreign Secretary met the Chief Minister of Gibraltar, Fabian Picardo, in London on 16 July and reassured him of the Government’s

“steadfast commitment to Gibraltar, and...intention to fully involve Gibraltar in discussions”

on the UK’s future relationship with the European Union. The Foreign Secretary also emphasised:

“The people of Gibraltar have repeatedly and overwhelmingly expressed their wish to remain under British sovereignty”—

that is clear from the earlier referendum—

“and we will respect their wishes.”

In the spirit of working together to get a solution following the 23 June vote, Opposition Members will want to work carefully and closely on the detail of what it will mean for Gibraltar to leave the European Union.

To pick up points made in the debate, the hon. Member for Strangford (Jim Shannon) talked about a proper conversation with Spain. It would be welcome to see at some point a sense that the trilateral conversation is happening again. I know the situation is fraught, but it is important to talk and have discussions, yet the tone is crucial, so I hope Members here will be helpful in that regard. We must remember the geography of Gibraltar and the fact that so many people from Spain are intimately involved, with up to 12,000 residents from Andalucia crossing to work on the Rock on a daily basis. We want to get towards a practical discussion about what the new reality means on a day-to-day basis.

The hon. Member for Bromley and Chislehurst (Robert Neill), in his usual way, gave us five points to think about—it is always helpful to outline them in that way. Of course, freedom of movement is the big one and it is one of the most significant things we will have to think about nationally as well. The second is dependency and trade links. Like the City of London, Gibraltar has very much a services-based economy. The hon. Member for Morley and Outwood (Andrea Jenkyns) quite correctly suggested the Moroccan market, which is something we need to look at carefully in considering the possible ramifications for the technicalities of leaving the European Union—I wish it was all just technicalities and that there was not the dampening effect that we currently see on our economy.

On the principle of full involvement in negotiations, once again, somehow we need to get the trilateral conversation going again with more energy. I look forward to the Minister commenting on that—where he thinks we are at and where we need to go—and re-emphasise the importance of the tone of those discussions. I would also be happy to hear what he thinks about the

free trade agreement between the UK and Gibraltar—a kind of mini-common market. The important thing is that we keep all options on the table and continue to talk, and that people do not feel as though there is a big gap, but that we keep the energy going around our common economic and prosperity agenda.

Finally, the hon. Member for Bromley and Chislehurst quite rightly raised the issue of Ministry of Defence personnel. We would not want there to be any nervousness or inject any sense of questioning into that relationship, particularly as regards the families based there. Certainly we on the Labour Benches want to see continuity, not massive change. It is far too early to talk about any change in that regard, but it is quite correct that he raised that today, so as to reassure the families and communities.

We are committed to working through these issues as they come up. It is clear that 24 June was not a fist-pumping moment for the hon. Member for Hornsey and Wood Green. It was not independence day for us in Hornsey and Wood Green—I had people crying on my shoulder when I went to the local shop to buy a pint of milk. It has been quite a difficult time. Indeed, today I have my first meeting of the all-party group for the European Union post-23 June. However, what is important about the House of Commons is that we debate and talk about things and keep all options open while maintaining a sense that our economy, prosperity and trade relations are extremely important in that regard, as is the sentiment around how we will cope, post the referendum vote.

Mr Nigel Evans (in the Chair): In welcoming the Minister to his new role, like everyone else here today, may I remind him that it is customary to leave a minute at the end for the proposer of the motion?

10.43 am

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): Thank you very much, Mr Evans. It is a pleasure and a privilege to serve under your chairmanship. It is also a real pleasure to follow the hon. Member for Hornsey and Wood Green (Catherine West). She said in an earlier interjection that it was quality rather than quantity from the Labour Benches and I think she was spot-on in that comment. She also spoke about nervousness in the aftermath of the referendum. I have to say that she demonstrated substantially less nervousness than I feel in speaking from the Front Bench for the first time.

I thank and congratulate my hon. friend the Member for Filton and Bradley Stoke (Jack Lopresti) on his brilliant work in securing this debate and leading the all-party group for Gibraltar. Our hon. Friend the Member for Romford (Andrew Rosindell) said that Gibraltar does not always have a voice in this House, but he ensures, as do all Members here today, that it has a powerful voice in the House. I know that one of his first visits on being elected to Parliament was to Gibraltar. He has visited numerous times since and he does a magnificent job of speaking up for the people of Gibraltar and their concerns in the Chamber. I want to channel the energy and passion that he has shown, along with other Members in the Chamber, in standing to represent the Government.

As ever, my hon. Friend the Member for Romford contributed powerfully to the debate. I assure him that we will engage on the issues of concern that he raises. I pay tribute to the work over many years of my right hon. Friend the Member for Aylesbury (Mr Lidington), who did a great deal on Gibraltar, representing its interests in the UK's relationship with the EU—indeed, he was often called the Minister for Westminster Hall in many debates about EU matters in this Chamber, including three specific Gibraltar debates. I look forward to working with his successor, the new Minister for Europe, for whom I have a number of messages from the debate on Gibraltar business in future.

I am delighted to speak for the first time for the Department for Exiting the European Union, working with our new Secretary of State in partnership with the Foreign and Commonwealth Office and the new Department for International Trade. My new Department has four main aims: to lead the policy work to support the UK's negotiations to leave the EU and to establish the future relationship between the EU and the UK; to work closely with the UK Parliament, devolved Administrations, overseas territories and Crown dependencies and a wide range of other interested parties on what our approach to negotiations should be; to conduct the negotiations in support of the Prime Minister, including supporting our bilateral discussions on EU exit with other European countries; and to lead and co-ordinate cross-Government work to seize the opportunities and ensure a smooth process of exit on the best possible terms. We have heard in the debate that those terms need to include the best possible terms for Gibraltar.

The new Department will equip the UK to prepare to make a success of leaving the European Union, to meet the challenges and to seize the opportunities that that represents, some of which we have heard about today. As a Minister in this new Department, I welcome the opportunity to hear Members' interests, concerns and ideas about the impact of the UK's exit from the EU. It is of course early days—our Department is in the process of being formed and shaped, and there will be a period of extensive consultation ahead of us—but I am pleased to begin today with this important debate. It reflects the significance of Gibraltar that it is the subject of the very first debate in the history of our new Department.

The Secretary of State, whom I am privileged to work with, is no stranger to Gibraltar. He spent a number of years as Minister for Gibraltar. Indeed, if hon. Members look at *Hansard* from 29 November 1995, they will find an example where 8,000 Gibraltarians took to the streets to demonstrate in favour of his policies, which is probably a record few other Ministers have achieved.

This debate is timely. The British people have voted to leave the European Union and their will must be respected. As the Prime Minister said, “Brexit means Brexit.” The treaties of the European Union apply to Gibraltar by virtue of the UK's membership. Clearly, Gibraltar's relationship with the European Union will need to change and it is right that we should involve Gibraltar fully in that process.

Before I embark on the core of my response, it is right to recognise the result of the referendum in Gibraltar, as the Opposition spokesman did. Given that such a huge proportion of voters in Gibraltar backed remaining in the European Union, many people—as Members

[Mr Robin Walker]

from all sides have acknowledged—will no doubt feel frustrated that their view was not reflected by the majority in the UK. I know many on the Rock will feel concern about the future.

I make no secret of the fact that, like 96% of the population of Gibraltar, I voted to remain, but now there can no longer be leavers and remainers. Now the decision has been made, and it is the responsibility of all of us to secure the best possible outcome in the national interest of all UK citizens. We all need to work together to pursue this bold and positive new agenda. I am here today to demonstrate our commitment to ensure that the interests of Gibraltar and its citizens are protected and advanced.

It was right to put the decision to the British people and it was right to put the decision to voters in Gibraltar, alongside their counterparts in the United Kingdom. While Gibraltarians did not get their desired outcome, I am pleased they were able to play their part in this historic decision. The speeches we have heard in this Chamber reflect our determination to make it work for them.

I now want to deal with some of the detailed issues raised in today's debate. I want first to make it clear that the outcome of the referendum does not affect or in any way diminish our steadfast and long-standing commitment to Gibraltar and its people. Since 1713, the United Kingdom has always stood by Gibraltar, and we always will. The hon. Member for Hornsey and Wood Green mentioned the meeting in London between the Foreign Secretary and the Chief Minister of Gibraltar on Saturday 16 July. The Government's assurance on sovereignty, which is well known, has not been changed in the least by the outcome of the referendum. We will never enter into arrangements under which the people of Gibraltar would pass under the sovereignty of another state against their wishes. Nor will the UK enter into any process of sovereignty negotiations with which Gibraltar is not content. In short, the United Kingdom will continue to protect the right of the people of Gibraltar to remain British for as long as they want to. We will take whatever action is necessary to safeguard Gibraltar, its people and its economy.

Several hon. Members commented on incursions. It is absolutely right to continue to stand up strongly to those, and I will make sure that officials relay the strong views that I have heard in the Chamber, from my hon. Friends the Members for Romford and for Beckenham (Bob Stewart) and others, about the need to be robust in standing up to incursions. That will be communicated to both the Ministry of Defence and the Foreign and Commonwealth Office.

As we prepare for the process of exit from the EU and negotiation of future trading arrangements with its members, we will fully involve Gibraltar, to ensure that its interests are properly taken into account. In practice, that means that whatever format is established in negotiations with the European Union, as we prepare for the process we will work in partnership with the Government of Gibraltar, to ensure that we have a shared understanding of their interests and objectives. Discussions have already begun, and I have no doubt that they will continue throughout the summer. We will work together to consider all the options for Gibraltar.

I was pleased to note that, as has already been commented on, one of the Prime Minister's last engagements as Home Secretary was a meeting with the Chief Minister. I think that is a good start to the relationship between the Prime Minister and the Government of Gibraltar.

Gibraltar's economy has rightly been praised for its strength and success in recent years. It is important to make it clear that there will be no immediate change in the way Gibraltar's people can travel or the way its services can be sold. The hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Filton and Bradley Stoke pointed out the importance of the border with Spain and ensuring that it functions properly. As many hon. Members pointed out, that border is also hugely important to the thousands of Spanish workers who cross every day to work in Gibraltar. It is in the interest of the economy of Spain, Andalucia and the whole region that it is made to work. That is why maintaining a fully functioning border remains one of our top priorities, and we believe it should be a priority for the Spanish Government as well. I am pleased to say that delays at the border have dropped to levels similar to those of before the summer of 2013, but we are not in the least complacent and we continue to monitor the situation carefully.

My hon. Friend the Member for Bromley and Chislehurst (Robert Neill) made an interesting point about financial passporting. We need to take that into account carefully as we look at the proposals for a UK-Gibraltar common market. I welcome the Chief Minister's proposal for a common market between the UK and Gibraltar and the support that the proposal has received today—not surprisingly—from across the House. The Chief Minister is understandably keen to demonstrate that whatever relationship is ultimately reached between the UK, Gibraltar and the EU, trade between the UK and Gibraltar will be able to continue as it always has. I want to assure right hon. and hon. Members that the UK Government are continuing to analyse that important but quite technical proposal as a matter of urgency. We will work closely with our friends in Gibraltar as we move forward. The point that was made—that we should listen to the concerns of the Gibraltar Chamber of Commerce—is a good one. I undertake that we will do that. Knowing the strength of the financial services, it is important to listen to Gibraltar when we have conversations about passporting.

As my hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) pointed out—very well, I thought—there are wider opportunities. As we have debates on leaving the European Union, we must ensure that we look at the opportunities, as well as the challenges, and maximise them for the whole United Kingdom, including its overseas territories and Crown dependencies, and certainly including Gibraltar.

In summary, the United Kingdom deeply values British sovereignty over Gibraltar and is fully committed to promoting the interests of all Gibraltarians. We will work in close partnership with the Government of Gibraltar to ensure that its interests are properly taken into account in the forthcoming negotiations with the European Union. Together, we will continue to explore ways to ensure that trade continues between the UK and Gibraltar, in the same way it does now. There are many unknowns as we start along the path of leaving the European Union. We do not yet know what the

terms of our deal with the EU will look like. However, the UK Government will do their utmost to get the best possible deal for Gibraltar, working closely with our friends on the Rock. The people of Gibraltar have built their remarkable success story through hard work, ingenuity, resilience and adaptability. I know that Gibraltar and Gibraltarians will rise to the challenge again and make British Gibraltar even stronger. Our commitment to Gibraltar remains solid as a rock.

10.55 am

Jack Lopresti: Thank you for your excellent chairmanship, Mr Evans. I thank all hon. Members from across the House for their support today on this important and crucially timed debate. I am grateful for the Minister's summing up remarks, in which he reaffirmed the British Government's commitment to the people of Gibraltar and their sovereignty and freedom, and to working towards the best possible deal. What I want to say to them is: "We understand your concerns and fears, but let us work together, for what I think is an amazing, historic opportunity to thrive and prosper as a free people once again."

Question put and agreed to.

Resolved,

That this House has considered the effect of the EU referendum on Gibraltar.

Supply and Estimates Procedure

10.58 am

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I beg to move,

That this House has considered reform of the supply and estimates procedure.

It is an honour to serve under your chairmanship, Mr Evans. I am delighted to have secured this brief but important debate. It has taken some time for me as a new Member to become acquainted with some of the workings of the House. Some procedures are fairly straightforward, others completely bewildering, and some rather insufficient. I do not feel that it is entirely unfair to say that the supply and estimates process—the way in which Parliament approves spending—is both bewildering and insufficient. That view is shared by many hon. Members across the House. Both the current and previous Chairs of the Public Accounts Committee have been scathing of the estimates process. Several academics have also raised serious concerns about it, and some have given evidence to that effect to Committees of the House.

Dealing with complex spending plans is never likely to be a straightforward matter, but the Supply and estimates process is in dire need of reform if we are to ensure that Parliament can exercise real scrutiny of the Government's finances. I welcome the current inquiry being held by the Procedure Committee on the Government's Supply estimates, and I hope that the Leader of the House will engage with the Committee on the recommendations that are likely to be made.

I will speak about the wider matter of Supply estimates today, but I want to focus particularly on the implications of devolution. In reality, the estimates process is an outdated system, designed before devolution, that does not function as an effective scrutiny of Government finances. There is no real opportunity for MPs to give expenditure the scrutiny it deserves, unlike nearly every other Parliament in the world; the Parliaments of the UK and Chile are the only two that do not have the freedom to examine and adjust spending. That is yet another example of why Westminster needs to be dragged, kicking and screaming, into the 21st century.

At present, we are offered blunt tools to amend estimates. We can vote to reduce expenditures for the entire Department for which we are debating a Select Committee report. However, we can vote down all Government spending—something that has not happened in 111 years. The estimates process is not fit for purpose. It allows the scrutiny of Select Committee reports but not the scrutiny of estimates. Topics to be debated are decided by the Liaison Committee. It is unreasonable to expect that Committee alone to represent all the interests of the House in debatable estimates motions within the confines of three days each Session. If we want to scrutinise Barnett consequentials fully, we need a lot more than the estimates days allowed by Standing Order No. 54.

Patrick Grady (Glasgow North) (SNP): I congratulate my hon. Friend on securing this important and timely debate. I am a member of the Procedure Committee and I am taking part in the inquiry she referred to. In that inquiry, Professor David Heald from the University

[Patrick Grady]

of Glasgow, which is in my constituency, gave his view that the estimates process is completely irrelevant to the Barnett process. That view is borne out in other evidence we received and stands in complete contradiction to what the House, the Scottish National party and Scottish Members in particular were told during the English votes for English laws process, which was that our opportunity to scrutinise the consequences of EVEL legislation would be through the estimates process.

Margaret Ferrier: It is good to see a member of the Procedure Committee here today. He will be fully up to speed with everything that is happening there. We look forward to the report—we hope that it will be published in November this year—and I hope the Government listen to its recommendations and respond constructively.

As I said, three days is completely inadequate. Furthermore, it is an oddity that more time is given to supplementary estimates than main estimates. After all, main estimates are where the vast majority of the decision making occurs. It seems eminently logical to switch the number of days available at the very least, so that two are set aside for consideration of main estimates and one for supplementary estimates. My hon. Friend the Member for Perth and North Perthshire (Pete Wishart), the SNP shadow Leader of the House, who has joined us in this debate, has submitted written evidence to the Procedure Committee's inquiry into the estimates procedure in which he makes a common-sense proposal to allow both Opposition days and Backbench Business Committee days during the estimates windows, which should take the form of amendable or debatable motions to approve estimates or parts of estimates.

My hon. Friend also advocated the case advanced by the hon. Members for Gainsborough (Sir Edward Leigh) and for Southport (John Pugh) back in 2012 for the establishment of a separate Budget Committee to examine Government expenditure plans and to make recommendations to the House. I, too, think that has great merit and warrants serious consideration. It is currently all too easy for the Treasury to bury important changes within hundreds of pages of information. We owe it to the taxpayer to ensure both transparency and effective scrutiny, neither of which are possible in the current system. A Budget Committee would allow for a much more thorough inspection of spending proposals and could complement a heavily reformed Supply and estimates process. Such a Committee should also play a vital role in the scrutiny of Barnett consequential to Scotland, Wales and Northern Ireland.

Furthermore, Westminster should introduce a proper Budget expenditure debate, such as those held in the United States or the Scottish Parliament. That sensible measure would allow a much closer assessment of spending. The compelling case for the inclusion of Barnett consequential in estimates has been further compounded by the introduction of English votes for English laws. The complicated EVEL process reduces the ability of Scottish MPs to influence matters with funding implications for Scotland. The Leader of the House has repeatedly claimed that the estimates process provides a suitable avenue for us to affect those matters of great financial importance. However, in reality, it does not.

The Chair of the Procedure Committee, the hon. Member for Broxbourne (Mr Walker), said during an oral evidence session of that Committee last September:

“the way we execute Estimates and appropriations is less than satisfactory in the House of Commons, and for those colleagues who are concerned about Barnett consequential, perhaps the concerns could be alleviated if we had proper debates around supply procedure.”

Legislation that might be considered to fall within the rules for the exclusion of non-English MPs might have important expenditure implications for Scotland, Wales and Northern Ireland. The previous Leader of the House showed reticence in accepting that fact. I urge the new Leader of the House to give proper consideration to the argument being put forward. Will he agree to review the interaction between the Supply and estimates procedure and EVEL arrangements as part of the review of the latter?

Legislation passes through the House that could have a significant impact on the block grant available to the devolved legislatures. Members who represent constituencies in the devolved nations are now denied a right to vote at crucial stages of that legislation. Many other Members and I have raised serious concerns regarding Barnett consequential and the effect that such legislation could have upon them. The Government contend that the estimates process provides ample opportunity for all Members to address that. However, there exists a complete lack of relevant information available to Members regarding amounts derived from each Department's spending, which makes up elements of the block grants. That is wholly inadequate.

Pursuant to Budgets and autumn statements each year, the Treasury provides information to the devolved Administrations of the amount within the block grant derived from the spending of each Department. However, Members of this Parliament are not given access to that information when they are asked to give formal approval to Government spending. It seems incomprehensible that absolutely no consideration is possible of the full implications of Government spending, including the effect on the budgets of Scotland, Wales and Northern Ireland. Will the Leader of the House engage with the Treasury specifically on that issue?

The current measures for the estimates day debates were put in place before the process of establishing separate legislatures for the devolved nations commenced, so there is a fundamental inadequacy in how we examine Barnett consequential under the current process. As a member of the Scottish Affairs Committee, I heard evidence last September from Sir William McKay, who said:

“There is neither possibility nor opportunity”
to do so, and that

“estimates opportunities are limited in both time and matter.”

In fact, he commented that EVEL is “a dog's breakfast”—a phrase my hon. Friend the Member for Perth and North Perthshire loves to use in the Chamber.

In evidence recently given to the Procedure Committee, Dr Joachim Wehner, associate professor of public policy at the London School of Economics, said:

“The UK generally does extremely well in terms of macro fiscal disclosure, but it does less well when you look at the details of public spending. That is a weak spot in the overall transparency assessment of the UK. So the quality of the estimates is below par compared to the UK's own high standards in this area, but also compared to its peers and other OECD countries.”

The mother of Parliaments, like many mothers, is not as in touch with the modern world as its younger descendants. The OECD wrote that we have some of the worst levels of scrutiny of estimates of any country in the developed democratic world. The House does not formally consider, debate, amend and vote on expenditure in the same way as with the Budget and taxation. There simply must be more opportunity to consider, debate and make amendments. MPs should have some measures to amend or affect estimates short of attempting to vote down all Government spending. There must be a way for Members to amend spending without having to defeat the Government on a major money motion. If nothing else, such a system makes minority Budgets much harder and, in doing so, cements a tendency in this place to move towards a two-party system with power pooling with the Executive. That is not a healthy way for a democratic country to operate.

Before I summarise, I would like to quote Adam Tomkins MSP, professor of public law at the University of Glasgow and the Scottish Conservative spokesperson on the constitution. In his written evidence to the Procedure Committee, he said:

“Whether these procedures give MPs the means fully to scrutinise any Barnett consequentials of England-only or England and Wales-only legislation may be doubted. If they prove to be inadequate, it may be that one unintended consequence of EVEL will be to reform the House of Commons’ supply process. From the perspective of parliamentary openness and effective parliamentary scrutiny, that would be no bad thing. The Treasury, however, may take a different view.”

I urge the Leader of the House to engage specifically with the Treasury about reforms to the timing and presentation of estimates, including the case for draft estimates, and the need for clear information on Barnett consequentials, including a statement of change from the previous year. Will he agree to examine specifically any lessons that can be learned from the Scottish Parliament’s procedures on the consideration of spending? Will he agree to engage with the Procedure Committee about the likely recommendations of its current inquiry on this matter?

Will the Leader of the House agree to look at the arrangement for estimates days, with a view to increasing the number available and making more time for main estimates than supplementary ones? Will he have discussions with the Treasury, with a view to making estimates motions more easily amendable? Will he seek to engage with relevant parties to explore the merits of establishing a Budget Committee? Lastly, will he agree to review the interaction between Supply and estimates procedure and the arrangements for English votes for English laws as part of the review of the latter?

Mr Nigel Evans (in the Chair): I welcome the Deputy Leader of the House to his new role.

11.11 am

The Deputy Leader of the House of Commons (Michael Ellis): Thank you very much indeed, Mr Evans. It is a particular pleasure to appear before you for my first debate as Deputy Leader of the House of Commons. I recall your visiting my constituency, Northampton North, some eight or nine years ago—I remain grateful for that.

It is a great pleasure to take part in this debate, and I take this opportunity to congratulate the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) on not only securing it, which is in itself an achievement in a busy legislative agenda, but also on her contribution. As she alluded to, this topic is not perhaps of interest to every Member, but it has become higher on the agenda of many, thanks in large part to her work and the work of her hon. Friends, which I recognise. She has, in her short time here, made a powerful impact on this area of procedure, and I commend her for that.

The Supply and estimates procedure is attracting attention across the House now and has done historically. It is important at the outset to outline, as has been recognised, that the Procedure Committee is currently conducting an inquiry on the subject. The fact that the inquiry is under way is a recognition that there are areas that need to be examined. Knowing as I do the members of that Committee—some quite well, and others by reputation—I have every confidence that the Committee will look thoroughly at the matter in hand. It has been and is still doing so. I am sure it would be recognised that nothing I say must prejudice that inquiry.

It is particularly relevant to point out that the Leader of the House has not yet given evidence before the Procedure Committee. The previous Leader of the House was scheduled to do so, and the matter was put back. The new Leader of the House, appointed in the past few days, is scheduled to give evidence before that Committee on this subject in the autumn. We have to be cognisant that nothing should prejudice the pending report of the Committee and the pending evidence of the Leader of the House.

It might be helpful to set out the procedure as it stands, which has received recognition and support for quite some time. Under Standing Order No. 54, three days are set aside per year for the consideration of estimates or requests from Select Committees. I have read some of the evidence that has been given and other submissions. Suggestions have been made that not all Members have chosen to take an interest in this matter historically and that something should be done to increase that interest.

Pete Wishart (Perth and North Perthshire) (SNP): I am grateful to the Deputy Leader of the House for giving me the opportunity to congratulate him on his new position. I look forward to us doing business together in the next few months. The situation is worse than he says. The one thing we cannot, under existing circumstances, discuss on estimates days is the estimates themselves. I made a valiant attempt to do such a thing the last time we had the opportunity. I was ruled out of order within 45 seconds—probably correctly. It is not that there is a problem with the estimates; it is that we cannot even discuss them under the current process.

Michael Ellis: The point the hon. Gentleman makes is being addressed by the Procedure Committee. Where, under Standing Order No. 54, the Liaison Committee involves the Select Committees, that in itself is a way in which to engage Members. Members who take part in those Select Committees then involve themselves during the course of every annual Session in the day-to-day business of those Committees, and the Chairperson of those Committees will make representations through

[*Michael Ellis*]

the Liaison Committee. That is a way in which the House and its Members can be involved in the Supply and estimates procedure.

Those three days are quite crucial. I appreciate the hon. Gentleman's point that it has been said that three days is insufficient, but that is being examined in detail by the Procedure Committee in its inquiry. The Liaison Committee decides which estimates are to be debated on estimates days. As I alluded to previously, considering requests from Select Committees is part of the democratic process of involving individual Members.

Pete Wishart: I am on the Liaison Committee; I know how this works. What happens in the Liaison Committee is that the Select Committee Chairs who put their hands up the quickest manage to get a Select Committee report debated. It has absolutely nothing whatsoever to do with the estimates and Supply procedure of the House—please do not confuse the two. It is a great opportunity for Select Committees to discuss their reports, but it has nothing to do with estimates and Supply discussion in this House.

Michael Ellis: I know the hon. Gentleman would not wish to reduce the value and impact of Select Committees and the work they do—the Chairmen and Chairwomen of those Committees would resist that strongly—but I recognise the point he makes. However, there are processes—recognised ones that have worked for some considerable time and have been examined hitherto—that frankly have allowed Members, through the Chairs of those individual Committees, to make representations to the Liaison Committee. That is our current process. I recognise that he finds it unsatisfactory, which is why it will be particularly useful to examine in full the recommendations of the Procedure Committee, on which his hon. Friend, the hon. Member for Glasgow North (Patrick Grady), sits. One can see why some consider Select Committees to have a role to play. Select Committees are very important in the process.

It is important to note that motions for Supply come in two forms: we have the debatable and amendable ones, and we have the ones that are rolled up. I think most people would recognise that, because of the sheer complexity and volume of some estimates and because they are so involved, we have to have a process whereby they cannot be considered on estimates days and whereby we restrict the amount of discussion. Otherwise, because of the quantities of money involved, we could almost discuss them for an entire fiscal year.

Patrick Grady: I congratulate the Minister on his appointment. Does he accept that that level of complexity bears out our argument that the estimates process is irrelevant and does not provide us with an opportunity to discuss the Barnett consequential? We were told by his honourable predecessors during discussion of the EVEL process that the estimates process was how Scottish Members could debate and vote on the Barnett consequentials of legislation that are now subject to the EVEL procedure.

Michael Ellis: I do not accept the hon. Gentleman's contention. Of course it is possible to do exactly as the previous Leader of the House suggested. I followed and read about the processes that apply to, for example, the

Scottish Parliament and other legislatures that have been cited, but one must bear in mind that the fiscal quantum and complexity involved are sometimes considerably less. As somebody pointed out in the written evidence to the Procedure Committee that I have seen, the Scottish Parliament was established with a clean sheet, but we do not start with that. This system has evolved over time and is necessarily somewhat more complex.

That is why we have the House of Commons Scrutiny Unit, which provides a range of briefings for Select Committees and helps to explain the main areas of interest. It may be that the Scrutiny Unit should be brought more to the attention of hon. Members, but it is there and it provides a good range of briefings for those Select Committees, helping to explain the main areas of interest.

The Clerk of Supply is also available to provide advice on procedure and the drafting of amendments to estimates motions. That is another mechanism whereby the process can be carefully assessed and analysed by individual Members, including those with a particular interest in Scottish, Welsh and Northern Irish affairs.

It is open to any Member to request a debate, as the hon. Member for Rutherglen and Hamilton West has done on this occasion, on certain aspects of particular estimates. That is another process and another area of scrutiny. A debate on the estimates process as a whole can also be accessed, as she has done today.

I recognise that a number of issues have already been raised in the Procedure Committee—the hon. Lady referred to them briefly in her earlier submissions. The timing, laying and approval of the main and supplementary estimates is something the Committee will want to look at. I have read that sometimes it is several months after the start of the financial year before those estimates are ready, and I know the Committee is looking at that.

The hon. Lady referred to the presentation of documentation, which is another issue that has been raised with the Procedure Committee. Presentation is important because it makes documentation more readable and accessible to a larger number of people. If it is possible to increase the use of graphs or other mechanisms by which presentation can become more accessible, clearly that should be looked at.

The hon. Lady mentioned the role of departmental Select Committees in the scrutiny of estimates and that is also being considered. She also referred to a possible role for the Backbench Business Committee in determining the estimates to be debated on estimates days. That is clearly of interest and can be assessed in the detailed Procedure Committee report.

As is clear from my points so far, my right hon. Friend the Leader of the House will consider a range of issues. They will, of course, relate to the estimates procedure and to the points made by the hon. Lady. He will be able to answer questions on the matter when he appears before the rather robust questioning of the Procedure Committee, some members of which I know—I am sure he will do so when he has considered the matter in the intervening weeks and months.

When the Procedure Committee has completed its evidence taking and produced its report, the Government will take time to carefully consider the recommendations. The hon. Lady asked for that assurance and I can give

it. This is an important matter that involves large sums of money. It is of interest to the House, and the Government will of course, as we always do, consider carefully any recommendations contained within it. I cannot give any undertakings about the assessment that Her Majesty's Government will come to after considering the recommendations, but I can say, I think without fear of contradiction, that those recommendations will be carefully considered. I do not wish to pre-empt the outcome of that report or the pending evidence of my right hon. Friend the Leader of the House, but I am confident that the points raised by the hon. Lady will help very much to inform the thinking of the Leader of the House and no doubt the thinking of the Procedure Committee.

Question put and agreed to.

11.26 am

Sitting suspended.

Citizens Convention on Democracy

[MRS ANNE MAIN *in the Chair*]

2.30 pm

Mr Graham Allen (Nottingham North) (Lab): I beg to move,

That this House has considered Government policy on a Citizen's Convention on democracy.

It is a great pleasure to serve under your chairmanship, Mrs Main, and it is equally a great pleasure to welcome the new Minister to the Dispatch Box, such as it is, on his first outing as a Minister. I wish him well with this brief. I do not want to put any pressure on him, but there cannot be a more important brief. That was true even before the events of the last few weeks and certainly is subsequently. All his experience and his large knowledge of history may well be required as he fulfils his duties. I am sure that I speak for colleagues on both sides of the Chamber when I wish him well.

We have had an incredible few weeks. I do not want to concentrate on that, but it would be wrong of us not to recognise it and talk about it briefly. It seems to me that we have had about 14 years' worth of politics in about 14 days, and it has been a very rich diet indeed, but it underlines the fact that we are now in a quite desperate situation in terms of needing to reconnect with the electorate and members of the public. One of the best ways we can do that—in fact, the most essential way we can do it—is by ensuring that people feel that they own their own democracy. At the moment, even after the last few weeks, people feel distant and alienated from their democracy. We need to take some steps towards ensuring that that does not continue.

Even before Brexit, elections and Chilcot—you name it; just about everything has been thrown at the political process in the last couple of weeks—there were some very severe underlying problems, including the low turnout at traditional elections, the obvious poor levels of registration on our electoral registers, instability in the Union, which is welcomed to some degree by some and to a lesser degree by others, the begging bowl system that we have for local government, certainly in England and Wales, and a less trusted political class, not least because of the tainted nature of party political funding.

All that has led us to a situation in which our very democracy is under threat. That sense of instability and inconsistency is something that all of us across the House, in all parties, need to address. I hope that if there is a thread running through my political career, it is that I have attempted to go across the parties, because I do not believe that anything is sustainable unless we can win everybody to a particular cause. A view that is about winning a cause in the short term and having it changed at the next election has never been a long-term view and certainly not a view that I have ever held. I am therefore delighted to see colleagues from across the House here today and I encourage them to participate during this hour and a half. I know that some colleagues are here to do winding-up speeches, but I also say to them that I would be happy to take interventions if they feel inclined to intervene on me as I progress.

I am perhaps painting quite a bleak picture, and I will come back to the exit from the European Union, but there is a tremendous flash of hope that we can all latch

[Mr Graham Allen]

on to. Possibly—in my wildest dreams—within a matter of weeks or months, we could be in the position of setting up a citizens convention on the UK's democracy. It could be sitting or meeting certainly before Christmas if we all felt inclined to make that happen. On top of that, there is a growing view among the leaderships of political parties represented in this place that they ought collectively to act, do something, and start to develop a way forward. There is pessimism on the one hand, but optimism on the other that with a citizens convention enabling the people to participate, we could find ways forward on the problems that trouble us most in relation to our democracy.

I must add a word about the European Union. The recent European referendum has raised more questions than it has answered—it is arguable that it did not even answer the question that was on the ballot paper, but I will not go there. For example, what should be the role of our Parliament? That has been raised again as a result of having a referendum rather than relying on our tried-and-tested representative democracy. What about the role of the supposedly sovereign institutions within our system in guiding the UK forwards? What is the future for Scotland and Northern Ireland, both of which voted to remain? How can we use our democracy to repair the sharp divisions between people who voted one way and those who voted the other—there was almost a straight split—and the differences between different territories, age groups and social groups that were revealed by the referendum?

When I last raised this issue, I said it would be quite important that Government stayed out of anything to do with a citizens convention, but I have thought again about that and I have an open mind on it. I am talking about whether the situation now is so important, so critical, that Government might want to reconsider the case for funding in some way, shape or form—not 100%, but just making a contribution and giving this some status, official or otherwise. I am still mulling over that conundrum and will not come down on one side or the other on it, but certainly my mind has been altered a little by the severity of the crisis that now faces our democracy.

Parliament and Government alone will not be able to resolve the problems that are in front of us. That will require the British people as a whole to listen, learn, participate and come up with their answers, rather than expecting them to pop out of the bubble in Westminster and Whitehall. That is why it is very important that we do not just have another learned report, academic report, or report by the great and the good that is dislocated from the political process. It is absolutely central to the argument for a citizens convention that it locks in the political class to the point of view that there should be in 2020 a series of decisions and Bills made and taken by Parliament. Otherwise, it is just another great report that will sit on the shelf and will not get us any further than we have got before.

That sort of linkage was evident in the Scottish referendum, when the Unionist parties all undertook to put in front of Parliament, if the out vote was defeated, a Scottish Bill as the first business of the House of Commons, and that was actually done. There may be different views—I am looking at my very good friend

from the Scottish National party, the hon. Member for Edinburgh East (Tommy Sheppard)—about whether that did the job, but one cannot say that the promise to put a Bill before the House of Commons was not kept. I actually think it was a very good Bill, and I suspect that many colleagues do too. My friend from Scotland will make his own speech, as he always does so eloquently, but that principle of linking something that happens before an election or before decision making to Bills and Acts is one that I think we can use effectively as a precedent for a citizens convention. That would require party leaders and senior parliamentarians who are represented in the House and perhaps represent a majority of the electorate of the United Kingdom to undertake publicly to put Bills that arose from such a process in front of the 2020 Parliament.

I am therefore very pleased to read into the record a letter signed by party leaders and senior parliamentarians. It says:

“We are writing in support of the application to fund a nationwide “Citizens Convention” to strengthen British democracy up to and beyond the 2020 General election. Its agenda should be set by the convention itself but we hope that it would cover the whole of the UK's governance and politics, including the core issues, themes and discussions that should drive the evolution of our democratic settlement.

We believe we should collectively initiate and give continued moral support to such a Citizens Convention. In order to bring a practical political conclusion to this work, we commit now to seek to persuade our colleagues to incorporate in our 2020 Manifestos a promise to put Bills which emerge from the Citizens Convention in front of the new Parliament as its first business for debate, amendment and decision. However we wish the Citizens Convention itself to be established at arm's length from political parties to guarantee its independence, so that—rather like the Scottish convention prior to devolution and the recent Irish convention on the constitution—it would be inclusive of opinion across society and produce a report which was subject to unprecedented levels of public participation.

Regardless of party allegiance, we feel the time is right for an urgent and comprehensive look at our democracy and believe the threats of political disenchantment, cynicism and disaffiliation must be tackled swiftly.”

That letter was signed by the leader of the Liberal Democrat parliamentary party, the leader of the parliamentary Green party, the parliamentary leader of the UK Independence party and the right hon. and learned Member for Beaconsfield (Mr Grieve), a senior Back Bencher, whom we all know and respect, and a similar letter was sent by the leader of the parliamentary Labour party. That underlines to me that there is a broad view among senior colleagues within the House, including leaders of parties, that something serious should now happen in the creation of a citizens convention and that such a convention should link into activity on the Floor of the House in 2020.

I quickly add that that is not closed book; it is not a closed list. It has not been possible to get everybody on board with these decisions, or even physically to get round to everybody. I hope colleagues present today will realise that that door is still open and that their participation would be extremely welcome in what should be a broad-based and all-party effort in getting this show on the road.

How we do this is going to be really important. It is essential that we find the means, which modern technology now allows us, to allow absolutely any member of the public—any elector—to participate in this process and

have their say. With three and a half years still to go before the next general election, there is more than enough time to hone the process, so that everybody can participate. There is the more conventional part: the meetings, the national and regional rallies and venues, and the educational side of all that. Then there is the perhaps more exciting and novel side for many of us: how we use the internet to get to people, so that we can get something coherent and sensible that can be collated by literally millions of people, so that there is a clear input. This is not just one-way traffic. We need to devise a convention that listens and then responds, asks new questions and poses new options, so that people can engage in a process that they can trust and that they feel is listening to them and really genuinely wants to hear their views.

Whatever a citizens convention comes up with, one thing I can guarantee is that every Member will find something to object to in its conclusions—me, above all. That is going to come with the territory. We are all going to have to put up with a few things that we think, “My goodness, where did that come from?” or, “That is certainly something I could never support or would never have promoted.” Taking our ball away at that point is not an option. This is about a wholesale review of a democracy, which is currently not fit for purpose and needs to be made fit for purpose if we are indeed to continue to call ourselves a democracy.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op)
rose—

Mr Allen: I will give way to my hon. Friend, not least because of the tremendous track record that he established as the spokesperson for the Labour party in opposition on many of these issues.

Stephen Twigg: I congratulate my hon. Friend on securing this debate on a very important issue and support what he said about how vital it is that this is cross-party. This is a huge area. Does he envisage that a convention might start with one aspect of democracy? I suggest that it could be looking at questions of devolution, which is proceeding apace in some parts of the United Kingdom but not in others and is where a citizen input is, surely, absolutely vital.

Mr Allen: The problem that I, all who have been involved in this process and, indeed, my hon. Friend have wrestled with is how much we need a political push to get this thing moving and how much we have to step back and just let the thing take its own course. Although I suspect that he might be reading the minds of people on a convention whom we have not yet selected and that devolution—in particular, currently, English devolution—might well be a key issue, we often come to the view that we cannot deal with one nation’s devolution without looking at integration with other nations and at how that fits together in a union structure, federal structure or whatever. I am content that we can have a proper process whereby the convention itself makes those decisions.

I mean that with the greatest respect to my hon. Friend. I anticipate that he, like every other Member, would feel a burden of duty to put extensive evidence and personal experience into a convention once it is under way. I am not dodging the question, but merely

saying that I suspect a convention must be the body to make those decisions, even though I may well agree with my hon. Friend’s motive and direction.

It is important that we do that because people have to hold us all to our promises when we get to 2020. It is important, if they have participated and feel that, warts and all, the product of the convention by and large represents them or is fair—if not representing their actual views in its entirety—that they have faith in that process. They will then feel that they can discipline the Members of Parliament who take this forward after 2020. They will have a stake. They will be able to say, “That’s not what we agreed,” even if the Government in power in 2020 have not signed up to participate in the convention. I hope that would not be the case for any party when we get to that point, but it is important to get even that Government to respect the decision-making process that has been gone through and to take it seriously. That may well be the case going back to the Scottish referendum and the Bill that came before the House. To his credit, the right hon. Member for Witney (Mr Cameron) did put a Bill before the House. There was obviously a great pressure that he should do that. I hope that we would all have done that anyway, but there was clearly a great public pressure to ensure that was done, so that is very important.

This should be not just an atomised group of the electorate at large collating their views, but lots of independent organisations and political parties. That is where political parties can come into the process, not as directors and governors, but as contributors. Every party represented in the House and many beyond could make their own contributions, collectively or by encouraging their members to interact with websites and so on.

In addition, there are dozens of organisations, thankfully, in the web of civic society who support our individual and political rights. They could design their own innovative means of participation to feed into the greater convention. For example, citizens assemblies, which we have seen springing up not least because of the efforts of Professor Matthew Flinders and his team at the University of Sheffield, have already produced a lot of information, interaction and development. Professor Flinders sent me a quote from Tracey Cheetham, who is a member of the citizens assembly north in Sheffield. After one assembly, she said:

“One thing was absolutely clear—and forgive me for stating the obvious—greater democratic engagement is vital to make devolution work effectively... We had a room full of people who were anything but disengaged or apathetic. Frustrated, curious and some angry about politics in general, but all determined to have a say.”

What a mobilisation of people’s political firepower to feed into our political system, and that is just one example of what we could do.

There are also the Political Studies Association, the Hansard Society and the Local Government Association. I was fortunate enough to be involved in the report of the inquiry into better devolution by the LGA. The report was very influential and I am delighted to have participated in it. There are lots of others who should be involved, including every councillor, every branch of every political party, Bite the Ballot, which has done such fantastic work, and the Constitution Reform Group. There is a lot of potential to revive and revitalise

[*Mr Graham Allen*]

political discourse, if we take three and a half years to do it—and to do it seriously and have an outcome in 2020.

As well as that process, or concept, there is also the issue of how we move this forward. The first question is about funding. Those who have been engaged in the process to date are in the very early stages of discussing with external charities the possibilities for funding. I am sure that, collectively, we could make a sufficient appeal to ensure that we have this initiative properly funded, because that is vital. It would be appalling if it were to fall because of a lack of basic finance. I throw in my earlier point that I am now open in a way that I was certainly not before to see whether the Government—whether or not they will engage in the process, and I hope that they will—feel they would assist to make the process work. That might mean a matching contribution to individual donations. As we go down this path, I am sure that we can work out something sensible for us all.

We need to get the show on the road, and it is very important that we establish an impartial and respected team that is ready to move on request. My hon. Friend the Member for Foyle (Mark Durkan) will know that team well from his distinguished service on the Political and Constitutional Reform Committee; the team helped us, over five years, to create a written constitution—in fact, three options for a written constitution—and a Bill that would give it life. That was not a two-page Bill, but one that had gone completely through the mill of legal advice and parliamentary process.

Those colleagues, from King's College London, are led by Professor Robert Blackburn, and they include Professor Vernon Bogdanor, who is known to many hon. Members, and Dr Andrew Blick, who has a track record of achievement in this field. King's is ready to go when we are ready to go. I very much hope that we do not keep it on stand-by for too long because we want to make sure that the necessary Sherpa work, to use a crude phrase—that academic heavy lifting, the production of papers and the organisation of conferences, venues, and so on—can get under way.

That would be the organisational side, but the hard politics comes into the agenda that is set, as was raised by my hon. Friend the Member for Liverpool, West Derby. I imagine that would include reviewing the powers and membership of the second Chamber; examining the voting systems at parliamentary, devolved and local levels to encourage greater participation in public life, and Executive power—the way in which Government are often very difficult to hold to account and their powers hard to discover without judicial archaeology—reviewing the position of local government in relation to the centre; questions of devolution in England; examining the legal recognition of constitutional provisions such as individual rights; looking at the way in which parties and our other democratic institutions are funded; and, above all, the catch-all of any other relevant democratic issues that might be recommended by the convention as its work progresses. Those terms of reference are deliberately vague because the citizens convention should decide what the issues are. Whether we approve of them is not the issue; this is about whether the convention is entitled

to look at whatever it wants and report, ultimately, to the House of Commons in 2020, after the next general election.

People have asked, “So what does the convention look like?” Actually, I think what the convention looks like is less important than what it does, how it reaches out and how people can get involved in it. As a working rule of thumb, it could be 100 people, selected properly, on a fair basis. There are lots of ways to do that. For example, Ipsos MORI, which is well connected to King's College, has a way of selecting that number of people so that everyone is represented—from their nation, region, gender, socio-economic group and so on. I add that there should be, either as members or ex officio members, a sprinkling of the great and the good and of representatives from political parties, just to give it the necessary spice to ensure that when there are obviously impractical things, someone can stand up and say, “Actually, the best way to do that, given where we are at the moment, is to do it in the following way.” They would not rule or run the convention, but their expertise could be deployed, so that obvious mistakes were avoided.

There would be a role for other people. Again, that is not for us here to decide; it is for the convention to make those decisions. Will it make mistakes? Of course it will. But are we going to support it and ensure that it is impartial and independent? I think that is a greater principle than trying to eliminate all possible errors that may take place.

To turn to another structural thing, a chairs' panel should be involved. A lot of work will need to be done and it is very important that people are represented on that panel from the nations of the United Kingdom and that there is a proper gender balance and proper representation from all parts of what we term British society—whether that is faith and non-faith, business, or whatever—to ensure that everybody has the possibility of seeing someone who is like them on a panel of chairs that pulls together this incredibly long and important exercise in our democracy.

Stephen Twigg: The process issues to which my hon. Friend has now turned are incredibly important. Earlier, he referred to the Scottish Constitutional Convention before 1997 and the more recent Irish experience. Does he agree that it is important to look at those and other examples of citizens assemblies being used in such processes, so that we can see what works and learn lessons from things that, perhaps, did not work in other countries?

Mr Allen: My hon. Friend is, as always, one step ahead of me. I was just about to say that we are not doing something wholly originally and it should not frighten us. People might say, “It has never been done before.” My goodness, if we need them, there are precedents—my hon. Friend outlined a couple—and there is a fantastic wealth of experience from Scotland's Constitutional Convention and the process of the Scottish referendum.

My hon. Friend the Member for Liverpool, West Derby also mentioned the experience of Ireland—I am sure that my hon. Friend the Member for Foyle has got the T-shirt. There are examples from Ontario, Iceland and, recently, British Columbia, among others. We are

not short of confidence in trusting people and finding good outcomes as a result of involving people in such processes. That is why the team led by King's involves people from Scotland, Wales, Northern Ireland and the English regions. They are working together, pulling together all the background information, enabling people to see what was tried in the past and what was dismissed for whatever reason, and tracking through a long, important process to get the success we need. They have that ability and brainpower—at the request of a citizens convention—to be able to draft Bills to meet each of the key subjects that are decided upon and that should be put before the House of Commons in 2020.

That leaves aside a lot of questions, such as “Goodness me, can we do this in every school? Can we do this in every university and college?” Can we get every young person, in particular, excited by the fact that they can tell their grandchildren that they were participants in building the democracy of the United Kingdom—not just 40 white guys in Philadelphia, as they say about the American constitution, but literally millions of founding fathers and mothers building a new British democracy that will stand the test of time as the old one starts to look ever more shaky?

Where I would take this next is 2020, when we have a set of proposals, decisions and Bills, and the process comes back to the House of Commons. Have we agreed to every dot and comma that comes out of the convention? No, we have not. Every political party of whatever size that comes to the House of Commons in 2020 would have to make a decision not just to support or reject the proposals in their entirety, but to do a really serious job on behalf of the public: amending, line by line, and ensuring that the proposals were fit for purpose. That will be an onerous task for us all in the House at that point, but it will be well worth doing—a task that should not be cast aside readily on the basis of pure party politics or selfishness for the benefit of a political party. It should be done not by dragooning people through the Lobby, for or against, as just a ritual on a three-line Whip, but by really taking it seriously, as those who have founded new democracies have done—in the east of Europe, for example.

The process should be taken seriously right down to the minutiae of what shape the Chamber should be, let alone the question of the separation of Executive powers and legislative powers. From the massive and conceptual, to the minute, it should engage people. Here, we will need to take the process as seriously as we will expect people outside to have taken their role in it. It is an essential part of what we need to do to preserve our democracy in times when it is looking fragile, when the political atmosphere and interaction with the media mean that politics is more and more in danger of just becoming a branch of the entertainment industry, and when our serious role in devising a democracy that can last a long time becomes the most onerous duty that can fall to Members of Parliament.

I appeal to anybody who is interested in our democracy to play their part. That may be purely by writing in about their views on a particular thing. How does the Union hang together, or should it divide? How does a federal system work, or is that not appropriate? What will our future relationship be with our friends in Europe and across the globe? We can all participate in those issues.

From the smallest child understanding the basics of a civil society with their actions and work at school, up to Prime Ministers who can decide where our country goes, across to people who may have some funds that they think can be well spent on ensuring that the process is well staffed, well financed and well supported, and to those who, in 2020, will be in the Chamber of the House of Commons making the decisions, there is a role for everybody in the creation of a citizens convention for the United Kingdom because they will be taking on a role to create a lasting and stable democracy.

3.6 pm

Mark Durkan (Foyle) (SDLP): It is a pleasure to serve under your chairmanship, Mrs Main. I thank you for permitting us to be jacketless in this heat.

I support the case of my hon. Friend the Member for Nottingham North (Mr Allen) for a citizens convention. Considering the range of issues and developments that have taken place over the past number of years, it is important to recognise that what is deemed to be the constitutional dispensation of the UK has been stretched, bent, twisted, pummelled and has had holes knocked through it, yet people say it is still the same fabric of the unwritten UK constitution. In a modern democratic environment, we cannot go on like this.

In a number of elections, voter turnout has gone down and those who did vote displayed disaffection by voting in a more spread out and, possibly, alienated way. That should send a warning to those of us who care for ensuring that we have a modern, inclusive, democratic platform. We cannot just continue politics as business as usual, drifting along.

The point that I see a citizens convention fulfilling is producing a new democratic charter, written from a citizen's point of view. Citizens would have, for the first time, something like an owner's manual so that they could say, “Right, all these elections are held in which we are asked to vote and told we have the chance to vote. What does it mean?” A charter could clearly set out the roles, responsibilities and rights of the different chambers and bodies that people have the opportunity to elect, whether in local government elections, at a devolved level, in the UK Parliament—of course, we had the European Parliament as well—or in other elections such as those for police and crime commissioners.

A charter could also set out a clearer understanding of the relationships between those different bodies because there is often a lot of confusion and tension. We saw that with the Scotland Act 2016 and we have seen it when we have processed legislation affecting Northern Ireland. Parties that were part of the negotiations have reflected different views on the Floor of the House of Commons from what the Government say is intended or meant by the legislation, or what an agreement entailed. We have seen that with the Scotland Act. It is important that we get these things right in a clear and cogent way, because coming up with agreements that we then disagree about does not do anything for people's confidence in the political process.

The charter should set out clearly the rights of the different Chambers to take revenue, and the principles and ceilings of the funding they are guaranteed as a share of overall UK public expenditure. Because the policy environment changes, the charter should provide

[*Mark Durkan*]

for an opportunity for Members to review the relative responsibilities and relationships of those different institutions. As technology changes, the nature and scope of how government might address something will change and evolve as well—we see that in energy and in the movements in broadcasting and digital technology.

The footprint of responsibility between devolved and non-devolved and between local government and others could well change, so we need to build in room for responsiveness to circumstance and change, and responsiveness to review. It should not be beyond us or beyond the political process to do that, but if it is, it is not beyond citizens, because they want to know, in a 21st-century democracy, who they are electing to do what job and who they can hold to account for delivery or failure. At the minute, they do not get that from the political process. It is almost a Tower of Babel—I say that as one of the people who negotiated and wrote parts of the Good Friday agreement.

As for the current situation, we have only to look at the previous election in Northern Ireland. Many of the parties in the course of the election debate sought devolved power and used their relative powerlessness as an excuse. They were saying, “We can’t deliver on some of these things. Westminster did not give us the money for this. There is an austerity agenda and other legislation has gone through.” The people are then at sixes and sevens, because people in the political process are confused and confusing about who has what power.

The welfare reform issue is a classic example. On paper, the Northern Ireland Assembly has legislative power over welfare, but we have ended up with a motion in the Assembly, courtesy of Sinn Féin, the DUP and the Government, to hand that power back to Westminster for a year, to give Westminster direct rule powers to impose something that the Assembly itself would not do. Of course, when the Assembly gets those powers back, there is essentially going to be a power of karaoke legislation. Basically, all the Assembly gets to do is to pass the legislation according to the words and music that have been set in the legislation here at Westminster. That is not edifying for the integrity of a devolved institution and it is not credible or persuasive to the public. It would seem to be a cynical exercise in taking power and being unable to exercise it, handing it to somebody else, and then blaming and criticising them for the decisions they take. In those circumstances, it is important that people know exactly what responsibility Chambers have and how parties and others operating within those institutions are expected to operate.

I have heard such talk in a lot of the exchanges on the Scotland Act. There is confusion even yet as to the exact import of the future welfare powers that Scotland will have. The Act makes sweeping presumptions about the agreement that there will be between Scottish Ministers and a Secretary of State, but makes no provision for what happens when there is no agreement between them and when there are difficulties. We need to fix that—otherwise we will have political crisis.

We were told that Northern Ireland had a political crisis partly to do with welfare reform. The UK Government decided that, if the Assembly was not going to automatically pass the karaoke legislation for welfare reform, they would take the budget hostage—they were going to

impose a penalty on the devolved budget. That penalty power was not in the Northern Ireland Act 1998—it was dreamed up by the former Chancellor and others and imposed. Someone might try to do that in Scotland. If Scotland fails to reach agreement—

Mrs Anne Main (in the Chair): Order. Can we focus a little more narrowly on the topic of debate, rather than going down cul-de-sacs?

Mark Durkan: I am sorry, Mrs Main. I do not regard this as a cul-de-sac. I am setting out an example of the issues that a constitutional convention could address. We have already been served notice of difficulties, contradictions, confusions and gaps in the constitutional understanding that the current political class is serving up to people. If we have been given those warnings, we should recognise that there might be more difficulties in future, not least in an environment where we have been told that the Brexit result means an agenda of taking control. Let us show what control we are actually giving to citizens. Citizens need to be able to know what control they have as electors and as voters. The first way is to show them the relevance and direct power of their vote in electing the different bodies and the different classes of people that they are allowed to elect. The first thing the citizens convention should do is produce that new democratic charter that essentially gives the citizen an owner’s manual to know where they have power in relation to different Chambers.

Given the experience in Ireland, it is right that parties should be involved in the constitutional convention. In Ireland, as well as citizens being involved, parties were involved north and south. Unfortunately, permission for the northern parties to appoint parliamentarians did not extend to Members of this House—it extended only to members of the Assembly, so I was not able to serve as a member of the convention, but a very good friend of mine, Tom Arnold, successfully chaired that convention. It showed that whenever you have the parties there, the citizens doing the work know that it is not a case of producing something worthy that politicians can then ignore and parties can then drop because it is too hot or too avant-garde. The fact that the parties are involved in those reflective discussions is helpful in giving people confidence that there is some purpose to it. It certainly encourages people to give evidence and submit ideas to the convention—it is not a case of a lot of good ideas going nowhere. There are positive examples.

The convention can also be used to educate all of us about the nuances of the different constitutional understandings that there are in different parts of the UK. For instance, it would be helpful to let people know—a lot of people do not seem to appreciate this—that, in Ireland, the common membership of Ireland and the UK of the European Union was taken as a given when we negotiated the Good Friday agreement. It is written into the fabric of the agreement at various points, as is the European convention on human rights, but some people think we can dispose of both of those without doing any damage, as though it is a stud wall that can be knocked through when it is actually a supporting wall of our political dispensation and peace process.

Similarly, EU law and the European convention on human rights, as far as I know, are a part of the basis of the current constitutional dispensation for Scotland,

but, again, potential damage is being done to it. One thing a citizens convention could do is allow people from different parts of the UK to understand the sensitivities and nuances in those key issues, and that they are not simply disposable commodities that can be thrown away without doing damage to the democratic fabric.

There are all sorts of odd questions about second Chambers, which I will not go into. I will simply say that, under the recent constitutional development of English votes for English laws in the UK, it is interesting that the stricture on people from Northern Ireland, Scotland and sometimes Wales voting applies only to elected Members—it does not apply to non-elected members in the Second Chamber, which is absolutely preposterous. Those are the sorts of things that people in a citizens convention might want to usefully look at as well. We have a bizarre situation: English votes for English laws means some of us being told, “You may still be charged, but your vote will not count.” Some measures on which we are excluded from voting will have policy implications for us and our devolved institutions. Again, a citizens convention could be a useful way of ensuring we all have a better understanding of the issues, which is not properly reflected either in this House or in politics at large at the moment.

3.19 pm

Tommy Sheppard (Edinburgh East) (SNP): On behalf of the Scottish National party, I congratulate the hon. Member for Nottingham North (Mr Allen) on securing today’s debate. In the broadest possible terms, we support the thrust of what he says and the direction in which he is trying to travel. I agree there is a lot that needs to be fixed in our political system. I believe, in fact, that on 23 June the vote in many parts of the country—particularly in many parts of England outwith the metropolitan areas—was a cry of alienation from people who felt that the political system did not represent them and had left them behind. Had our politics been in better shape, we might well have got a different result on 23 June.

I want to put the Scottish perspective when it comes to constitutional reform and how the country should be governed. It is of course no surprise that my party favours a situation in which the people of Scotland become a self-governing nation in control of their own affairs. I know that fills the hearts of many of my colleagues with horror, but I hope to persuade them that it is not such an unreasonable proposition. I also hope to persuade them that, as well as being good for the people of Scotland, in that it would put them in direct control of their country and resources, it would make for better governance for these islands as a whole. I believe that the United Kingdom, a structure designed in the 19th century, is not really fit for purpose, in terms of the modern government we require in these islands.

Many people have talked about Scottish independence as a campaign for separation. We were accused of being separatists many times in the 2014 referendum campaign. Nothing could be further from the truth. Quite the contrary: we see independence for Scotland as a way of allowing it to play a greater role in Britain, Europe and the world. I feel that what in many ways keeps my country’s potential separate is the current constitutional arrangements, which insist that our communication as a country with the rest of the world must happen through the prism of the United Kingdom. However, we do not

have Scottish independence. We voted in 2014 to stay as part of the United Kingdom, and while we are here we want to work with others to improve the situation in the UK as a whole. That is why we welcome and want to engage in a discussion of constitutional reform throughout the United Kingdom.

There are some glaring problems with our current constitutional arrangements, which are already the subject of separate campaigns. I will give just three examples, the first of which is the anachronism of the House of Lords—now, I believe, one of the largest legislative Chambers anywhere in the world. It is bigger, indeed, than the European Parliament. Yet not a single Member of that Chamber is elected by the people. That seems to me not to be a very 21st-century concept.

Mrs Anne Main (in the Chair): Order. Can I ask the hon. Gentleman to bring his remarks back to the Government’s policy on a citizens convention on democracy, rather than some of the topics that might be considered by such a convention if it were brought forward? He has not mentioned the concept of the convention for quite some time.

Tommy Sheppard: I am coming to it. I have 10 minutes—is that right? It is not a crowded debate. I promise you I shall come to that matter very shortly, Mrs Main, but I did want to give what I regard as examples of what a convention might look at.

Mr Graham Allen: On the question of the second Chamber and its relationship to the convention, I should have thought one of the obvious points would be that if there is to be a second Chamber, a chunk of its membership, if not all of it, should be decided by the various nations that make up the Union, and that there should be at least some proportionality about it.

Tommy Sheppard: The principle for us is that it should be elected. We would be prepared to look at many different options and that could be one of them.

The second constitutional crisis that we face, which has already been touched on, is the electoral system itself. We are meant to be a democracy, yet the people in a position to make laws over the governed are not representative of the feelings of the people who took part in the election. It is not right that there should be a majority Government with a 37% mandate. If that were changed, and if people felt that their vote was a better determinant of the balance of power in the House of Commons Chamber or any future Chamber, I believe they would be more inspired and would have more belief in the democratic system. I speak as a representative of a party that, more than any other, has benefited from first past the post, winning 56 out of 59 seats on just 50% of the vote. I would happily give up my seat if we could change the electoral system.

The third issue is the concept of regional government. As an Edinburgh MP looking south of the border, I am sympathetic about the problems that exist, particularly in government in England. I feel that, whereas we have made moves towards devolution in the nations and regions, adequate regional structures have not been developed in the great areas of England to give people a sense of belonging.

[Tommy Sheppard]

To come to the matter of the convention, I suppose I have some concern—perhaps the hon. Member for Nottingham North will address this in his summing up—that the initiative for a convention must try to bring together the campaigns on particular aspects of the constitution that are already motoring and have some momentum, rather than acting as a brake on them. I would not want a situation in which everything had to be completely right, with a wonderful new written constitution, before any change could happen. We would be waiting here for centuries with no reform at all.

We have a slight paradox. There has been a lot of devolution to Scotland, and I believe we are on the road to further devolution and eventual independence. In the Edinburgh agreement of 2012, this Parliament agreed on the right of the Scottish people to determine whatever form of government they wanted. That right—the concept of the Edinburgh agreement—would need to be built into the deliberations and framework of any new convention looking at the constitution. In other words, it would need to be a ring fence around Scotland, saying, “That is to be determined by the people who live there.” There could be any number of ways to integrate that with the wider UK debate.

I liked very much what the hon. Member for Nottingham North said about the need for the convention not to be seen as just a committee of the great and good, sitting in an ivory tower discussing things. We can see from the attendance today that it is difficult to get much excitement about such debates, but we need to try. Whatever initiative is taken at national level, it must be driven downwards to the most local level possible, to involve people in the debate. We need a national conversation about what type of 21st-century constitution we need. I hope that is the direction in which we shall travel.

I have two things to say about Scottish examples that have already been cited in the debate. First, the 1989 Scottish Constitutional Convention, on which I served in the mid-1990s, in a past life and a different guise, was a very particular body. It tried to create an alliance within civic society. It brought together representatives—it could be argued how representative they were: it involved organisations that attempted to be representative bodies of others. The churches, trade unions, voluntary organisations and political parties came together in an organisational alliance, which did not have room for any individuals, although people could say they wanted to come to a debate or seminar and get involved. The body itself was an alliance of organisations. I presume that is different from what is being thought about today.

There has also been discussion of the 2014 Scottish referendum, and we must cite that as an example of how our democracy can work brilliantly. We had a participation rate of 85% in that referendum, and the reason why passions and excitement ran so high was that, rather than being presented as a dry constitutional question, the issue was made real. It was translated into people’s lives. Once the question was asked—“Should Scotland be an independent country?”—that raised all sorts of other questions, such as “Well, yes, but what sort of country?”, “Who would run it?”, “How would this work?”, and, “How would that work?” Every single organisation in Scotland was discussing the question’s implications for what they do and for the people they

involve and represent, which is why it mushroomed and became such an exciting festival of democracy during the 2012 to 2014 period.

I will now finish, but perhaps the hon. Member for Nottingham North can advise us on how all this might happen. We need to consider ways of inspiring people, of being imaginative and of firing up passion in this debate. We can do that by drawing a line between constitutional change and improving people’s lives.

Caroline Lucas (Brighton, Pavilion) (Green) *rose*—

Mrs Anne Main (in the Chair): Order. I am afraid that I will not be calling the hon. Member for Brighton, Pavilion (Caroline Lucas) to speak. She has missed an hour of a 90-minute debate, but if hon. Members let her, she can intervene.

Mr Graham Allen: On a point of order, Mrs Main. Do I still have the right to sum up?

Mrs Anne Main (in the Chair): Yes. You have two minutes at the end, or longer if the Minister finishes a little early.

3.30 pm

Ian Lavery (Wansbeck) (Lab): As always, it is a pleasure to serve under your chairmanship, Mrs Main. It is also a pleasure to respond to this important debate on behalf of the Opposition. I congratulate my hon. Friend the Member for Nottingham North (Mr Allen) on securing it. As he said, it is difficult to enthuse and inspire people by trying to develop a better place for democracy. I pay tribute to him for pursuing this topic with tenacity and for recognising how important it is that we build a new consensus on the relationship between the people and the state and within the nations themselves.

The breadth of cross-party support for the initiative—from Labour’s leader, my right hon. Friend the Member for Islington North (Jeremy Corbyn), to the Lib Dems, the Greens and some Conservatives—reveals the depth of concern about the crisis that we currently face in our democracy. Fundamental questions remain on the health of that democracy. Between the people and the state, between the four nations and between people within the nations themselves, the vote to leave the European Union served to emphasise the depth of the divide within our country. The anger at the status quo, which first tore into mainstream political debate in the run-up to the Scottish referendum, was glaringly obvious to many of us long before. The signs were there in the ever-declining turnout at general elections, in the trust in previously respected institutions being destroyed by the recession and, perhaps most damningly of all, in the sense among many people that Governments do not care much about what ordinary people think. That is the crisis.

I am from a mining community on the great northern coalfield in the north-east. When I walk around and talk to people I have known for many years—people I have known all my life—they tell me that they feel that politicians do not have a clue about how they live their lives and about what is happening to their communities. Of course, as in the brutal decade of the 1980s, something more is happening. There is a sense that ordinary people

in communities like mine in the north-east, like many across the UK, are simply being abandoned, with their views being a huge irrelevance to politicians.

Caroline Lucas: I apologise for being late to this debate. The hon. Gentleman is making a powerful point about why something that might sound dry—a citizens convention—actually goes to the heart of people’s identity and why it is an opportunity for them to get their voice heard in a debate that really matters to them. Does he agree that the convention has the potential to be a vibrant debate if we pitch it right?

Ian Lavery: I wholeheartedly agree that it is up to politicians, who have the job and the opportunity, to try to inspire people and give them the opportunity to have a say. People feel completely and utterly disfranchised. We have to rise to that huge challenge.

We are living in an age of insecurity and inequality. The further people seem to be from Westminster, the more likely they are to feel ignored. People in my constituency are trapped between Scotland and Tyneside—it certainly feels that way—which is why the radical redistribution of power that the citizens convention and other radical devolution agendas envisage is so vital to the health of our democracy. The evidence suggests that local communities want to feel more engaged in the decisions that affect their lives, and giving them that power will bring them into the democratic process. Again, it is up to us, as politicians, to ensure that that happens.

Under the new Prime Minister, following the exit of the previous Chancellor, the right hon. Member for Tatton (Mr Osborne), the already unambitious northern powerhouse looks likely to fall even further down the list of priorities in the north. Regions that have been chronically underfunded for decades were given a pitiful settlement by the Treasury and are expected to be grateful. The funding settlement does not even begin to offset the drastic spending cuts at local authority level. The Government are giving with one hand and taking away with the other. The North East Combined Authority, for instance, has £30 million a year to spend for each of the next 30 years. Considering that in the past five years alone there have been more than £1 billion of cuts to local authorities covering the area, with more to come in the next four years, I can see why the Government’s devolution agenda is being met with complete scepticism up north.

It might be asked what that has to do with the convention. The reality is that people cannot connect with the reasons for their lives being changed—with the cuts to services, for example—and they want to change things. The only way they can change things is by becoming part of the democratic process, so the convention is joined up with funding, austerity and the many things that are currently happening in the UK. With so much of the national agenda being driven not from town halls but from Whitehall and this place, it is little surprise that people seem disfranchised. Previously, more than 90% of civil servants in the Departments responsible for the northern powerhouse worked in London. That was raised many, many times on the doorstep. We talk about the northern powerhouse, but it is now normally called the northern poorhouse, which is probably more accurate.

My hon. Friend the Member for Nottingham North has written many articles on the idea of the citizens convention, and everyone thinks that, to change things for the better, it is up to us to engage with communities on what they want. It is up to us to present alternatives such as a progressive devolution settlement to engage people in the democratic process. That is why, rather than relying on Westminster to put something in our begging bowl, it is vital that we see radical devolution of real power down to communities, which know best how to use it.

The real question is the question of power. To paraphrase my late friend Tony Benn, who has power and how are they using it? A power imbalance in the country has led to rising inequality over three decades or more. It has led to communities first being attacked, then being ignored and then being completely neglected by Westminster, which means that, despite the economy adding £4.3 trillion of wealth in recent years, GDP per capita has all but flatlined, household savings are at their lowest level since 1963 and household debt is at its highest since just before the crash. In other words, the proceeds of growth are not being shared, which is fundamentally because power is not being shared. Power can be reintroduced through citizens’ assemblies and constitutional conventions, which is why I say that power is the most important issue we are discussing today. Half the people of this country feel that the Government do not care much or at all about what people like them think—that is an unequal access to power and we see the consequences of it in the real economy. What communities who have lost faith in Westminster to deliver for them need above all else is real power to transform their lives. That real power, or at least part of it, comes from the citizens assemblies and the citizens constitutions.

If the northern revival is to take root, it must take us away from an economy dominated by the City of London and from a politics dominated by Westminster, in which London can simply click its fingers and get a £32 billion Crossrail 2 project delivered. That is fine, but in constituencies like mine at the other end of the spectrum, away from Westminster, we have rail tracks but not trains. We are even looking to fund passenger trains to run through Ashington or Bedlington, which we have not had for 50 years. Giving people the power—giving them democracy—allows different things to happen in the communities we are all proud to serve.

We need control over the areas where we have lagged behind, such as energy, internet services and transport. In constituencies up and down this country—in mine, for example, there are fewer business start-ups than in most other English regions and pay is some £200 per week behind London—we need the power to change our economy for the better. We need the power to respond to problems that are particularly profound in our own areas. That would be an advantage of citizens assemblies. We should have the funds to invest properly in skills and innovation and to link the fantastic work of the colleges and universities, but we should also be able to insist that, if we are all to have a stake in the future of this country and in the devolution agenda, we will do things differently: workers’ rights will be properly respected and everyone must share in the growth of our areas, and no one should be left behind.

I therefore absolutely commend the efforts of my hon. Friend the Member for Nottingham North to address that inequality of power through the constitutional

[*Ian Lavery*]

process and through an attempt to engage the millions of citizens who want a more direct stake in their own future and in the future of their communities, and who are never asked what they think except for every five years when a general election is looming.

That is partly about what the structures of the UK will look like, but it is about much more: the revival of our communities, the health of our democracy and the future of our nation. We are strongest when we work together. Discussions with people about their communities, as well as with experts, trade unions and other stakeholders, will bring people together and create a collective vision for the future that genuinely benefits the people, rather than just paying lip service to democracy.

In 2014, under the leadership of my right hon. Friend the Member for Doncaster North (Edward Miliband), the Labour party agreed totally with a citizens charter and committed itself in principle to having one. The Labour party position is reaffirmed here in the House today. I ask the Minister at least to confirm that the Government will give due consideration to a wider, more diverse and inclusive democratic process, initially by agreeing in principle to a citizens convention.

3.43 pm

The Parliamentary Secretary, Cabinet Office (Chris Skidmore): I congratulate the hon. Member for Nottingham North (Mr Allen) on securing time for this debate, which comes at a very significant time for this country. Indeed, I am delighted to make my ministerial maiden speech in Westminster Hall; it is an honour to be here. I pay tribute to my predecessor, my hon. Friend the Member for Weston-super-Mare (John Penrose), who did an excellent job in office and whose dedication to constitutional affairs was evident today in his speech on the ten-minute rule Bill proposed by the hon. Member for Brighton, Pavilion (Caroline Lucas).

The events of the past few weeks have provoked much discussion of the UK's constitutional arrangements. I welcome that discussion and the wide-ranging contribution that hon. Members have made throughout this debate. The UK's constitution is constantly evolving. It is right that there is debate and discussion as it evolves, and the hon. Member for Nottingham North has been at the forefront of ensuring that that happens. Only a few months ago, he introduced a private Member's Bill for a constitutional convention. I thank him for this further opportunity to debate these vital issues and I put on record my gratitude to the hon. Members for Foyle (Mark Durkan), for Liverpool, West Derby (Stephen Twigg), for Edinburgh East (Tommy Sheppard) and for Wansbeck (Ian Lavery) for their contributions. I am only on my third day in the job, but I have listened intently to everything they have had to say.

I am coming to the realisation that constitutional debates tend to be fairly wide-ranging. Nevertheless, when we look at what has been said, almost all major parties think it extremely encouraging that we have that representation. We may not agree on everything, but one thing we can agree on is a greater level of democratic engagement. Indeed, one of my driving priorities as a new Minister will be to encourage that engagement wherever possible. I was heartened by what the hon.

Member for Nottingham North said about cross-party working—indeed, these matters are too important not to work on on a cross-party basis—and I have noted the contents of the letter he read out in his opening statement. However, while we can have cross-party agreement on engagement, the Government disagree on the means of delivering it. As the hon. Gentleman knows, the Government have no plans to establish a convention on democracy. We believe that the evolving nature of the UK's constitution means that it is ultimately unsuited to a convention.

The UK constitution is characterised by pragmatism and an ability to adapt to circumstances. That arrangement has delivered a stable democracy by progressively adapting to changing realities. I fear that a static convention that decided on constitutional matters once and for all would not fit with the tradition of evolving and adapting in line with people's expectations and needs. The hon. Member for Liverpool, West Derby mentioned other precedents of constitutional conventions in Ireland, Iceland and Ontario. However, those international examples highlight how countries that have gone down that route have found the entire process challenging. The hon. Member for Nottingham North mentioned that it is a lengthy process, but it is important that we learn from what has happened in other countries. The recommendations of the conventions in British Columbia and Ontario were rejected when they were put to the public in referendums. In Ireland, of the 18 recommendations made by the Irish constitutional convention, only two were put to a referendum and only one passed.

Mark Durkan: Yes, only two recommendations were put to a referendum and one passed, but more are to follow. The Government said that the country could not have a referendum on all the issues at once, but other referendums are to follow, including on extending the vote in presidential elections to the Irish diaspora.

Chris Skidmore: I thank the hon. Gentleman for that intervention. What he says is important and relates to the fact that the discussion of constitutional matters is a process in which we have to take the confidence of the people with us. I fear that if certain expectations are put down or if findings are not immediately delivered—the hon. Member for Nottingham North mentioned a convention's findings being adapted wholesale—we will run into difficulties.

Let us look at other countries. In Iceland, where a more wide-ranging constitutional convention was undertaken, all six of the proposals were passed, but they were not taken forward by successive Governments. That is another issue with the binding nature of constitutional conventions that highlights one of our key concerns with such proposals: they often fail to deliver their intended result.

I want to put on record that the Government do not believe that exercises of engagement are a bad thing. They are laudable endeavours to engage the public in a discussion on the constitutional principles that underpin a country. In particular, I recognise the concerted and sustained effort of the hon. Member for Nottingham North to keep constitutional reform at the top of the agenda. He is a dedicated campaigner who is respected on both sides of the House and whose work on early intervention has ultimately resulted in a change in

Government policy. I wish him the best with what he is trying to do. As Chair of the Political and Constitutional Reform Committee, he oversaw numerous inquiries into constitutional issues, including constitutional conventions. As I said, any initiative designed to promote engagement is welcome. Having exhausted all avenues in Westminster, there is nothing to stop him personally reaching wider afield, beyond the walls of this austere building—any private endeavour that raises public participation is surely to be welcomed as a good thing. However, I must set out some concerns about the proposals as they stand.

One of the key problems with national constitutional conventions is that ultimately it is very difficult to engage those who are not already engaged. The people who should be participating are exactly those who do not respond to the invitations. As a Government, our focus must be on ensuring that everyone who is eligible to vote in polls is able to do so. We have already made great progress, but there is more to do. We are working with the Electoral Commission, civil society organisations and local authorities to reach communities who are not represented on the electoral register. Online registration has made it easier to register to vote, and we have seen record levels of registration in recent months. Data collected from the 382 local voting areas show that the provisional size of the UK and Gibraltar electorate now stands at a UK record 46.5 million.

The hon. Member for Nottingham North mentioned a “flash of hope”. With the record levels of engagement we are seeing post the referendum, that flash of hope is to continue that engagement. Amid all the constitutional discussions about the franchise, my overriding priority as a new Minister will be to reach out to the disfranchised who are already eligible to vote but who remain invisible from public participation. It is that challenge—one we have to take as seriously as an unacceptable inequality as we do educational underachievement or social deprivation—that I intend to make my focus.

Stephen Twigg: Does the Minister agree that for the efforts he just described to be successful, we need to restore citizenship education in schools?

Chris Skidmore: I remember very well, when I had first become a Member of Parliament, debating with the hon. Gentleman, when he was shadow Education Secretary, about his excellent record as an Education Minister in the previous Government. It is understandable that he is passionate about education, and I do believe it is key. Citizenship as a subject in schools is important. Education will be vital, but aside from what happens in schools, we have to reach out into those communities—those black spots. We can break down the data to understand where people are not registering to vote, and that is where I want to focus. We have reached an ultimate high, with registration at around 83%—in the mid-80s—but we can go further. We may not reach 100%, but the challenge now is to up our game and get to the last 10%. To do so, we must reach into the most deprived communities in the country.

Members asked about the devolved nations. Now more than ever, the Government must focus on getting on with delivering a fair and balanced constitutional settlement for people across the UK, as promised. Our unique constitutional arrangements enable agility and

responsiveness to the wishes of our citizens. We in Government believe that those wishes are clear: a desire to be part of a strong and successful Union that recognises and values the unique nature of each of our nations. Although the Government do not believe that now is the right time for a constitutional convention, it is none the less clear that we must continue to deliver on our commitments to a coherent constitutional settlement that provides fairness, opportunity and a voice for all.

Many Members raised the issue of devolved representation. The Government are absolutely committed to ensuring that the devolved Governments should be fully engaged as we take vital decisions about the future of the United Kingdom. The Prime Minister’s visits to Scotland last week and to Wales on Monday are clear examples of our immediate commitment to do so. We must continue to protect and advance the needs of all people in the United Kingdom. As we do so, the Government will continue to deliver on their commitment to provide further devolution and decentralisation to the nations and regions of the United Kingdom. We are creating some of the most powerful devolved legislatures in the world, and we are also devolving greater powers away from Whitehall to the cities and regions, driving local growth in areas that have strong governance and the capacity to deliver.

Mark Durkan: Before the Minister moves on from the point about the devolved territories, do the Government recognise that the settlement in Northern Ireland rests not on the concession of devolution from Westminster but on the express consent of people in Ireland, north and south, when they voted for the institutions of the Good Friday agreement, as reflected in the Irish constitution as well? At times, it seems like devolution is seen as just a gift from Westminster and people do not understand the integrity of the democratic institutions in Ireland.

Chris Skidmore: The establishment of the Good Friday agreement in the late 20th and early 21st centuries was one of the most important constitutional changes we have seen. We have to give credit to the previous Labour Administration, and the Conservative Administration before that, for coming up with that settlement—

Mark Durkan: The people of Ireland had something to do with it too!

Chris Skidmore: Of course. That settlement proves the importance of laying aside differences and of people, whether from different parties or different countries, being able to work together. We will not get such agreements unless we not only spend a lengthy period being able to decide them, but put aside often bitter differences. When it comes to the discussion of any constitutional reform, nothing will happen without cross-party agreement, as the hon. Member for Nottingham North said. The Good Friday agreement clearly highlights the need for such discussions to be cross-nation and cross-party.

We do not believe that all the important changes that have so far taken place in the devolved nations, which were designed to hand power back to people, should be delayed by the establishment of a convention. What matters about the constitution is that it works and is flexible enough to adapt to political challenges, not that it has been neatly drawn up and is theoretically pure.

[Chris Skidmore]

Hence the Government are very much focused on making sure that the UK's constitutional arrangements work for all our citizens, in a Union based on fairness, friendship and mutual respect.

In closing, I again welcome the intentions of the hon. Member for Nottingham North in making his proposal, which will help to inform and add to a rich debate on this issue. I wish him well, but I cannot undertake any commitment to Government involvement, financial or otherwise. As I have made clear, our immediate priority is on delivering the constitutional settlement we are committed to, but there will always be opportunity for debate and discussion in the House about the UK's constitutional arrangements. I look forward to many more opportunities, I hope as Minister, to discuss and debate the constitutional matters that underpin this nation. Again, I congratulate the hon. Gentleman on securing this debate and thank him for allowing us to discuss these important matters.

3.56 pm

Mr Graham Allen: I hope to respond rather speedily, Mrs Main. The Minister is now surrounded by former members of the Political and Constitutional Reform Committee, who have entered the Chamber for the next debate, so he has to be careful. More seriously, I congratulate him on a very polished and confident performance in his maiden speech as Minister and wish him well in his job. We will be knocking on his door at various points throughout his tenure, not least on this issue, but also on the issues that were raised during the debate and to which he referred, such as electoral registration, about which many of the same people feel passionately. We will use his good offices to try to make progress on some of those issues.

No one is anticipating wholesale change in a big-bang effort. As the hon. Member for Foyle pointed out, it will

be a process. It may be that one Bill is dealt with quickly and another Bill—let us draw breath—deals with another issue. Throughout the 2020 Parliament, if the public had participated in their millions in a constitutional exercise, they would expect nothing less of any Government, or any coalition or alliance in government, than progress on what they had been involved in over such a period.

On the more general point, the Minister and everyone else who spoke reflected the passionate desire to make this stuff happen. As the hon. Member for Edinburgh East pointed out most eloquently, that means getting some drive and excitement. The biggest drive and excitement that anyone can ever find in politics or in their daily life is when they control their own destiny and can do something about it, not least in connection with their community, locality, nation or whatever.

That takes us back to the idea of giving people the ability and the framework that my colleague on the Front Bench, my hon. Friend the Member for Wansbeck (Ian Lavery), discussed so clearly. We need to provide the structure in which people can take control. We can call it subsidiarity or any other ugly word for a beautiful concept, but is about giving people at the lowest possible level the ability to run their own lives. Despite all the rhetoric, that is something shared by all parties in the House of Commons.

We can create the necessary passion and excitement, but to get to that great nirvana of self-realisation, we have a responsibility to do the nuts and bolts. The biggest set of nuts and bolts that we can do something about is to create a citizens convention so that people can take control of their own lives and build the sort of democracy of which everyone present would be proud.

Question put and agreed to.

Resolved,

That this House has considered Government policy on a Citizen's Convention on democracy.

Flag Fen Bronze Age Park

[MRS MADELEINE MOON *in the Chair*]

4 pm

Mr Stewart Jackson (Peterborough) (Con): I beg to move,

That this House has considered the development of the Flag Fen bronze age park in Peterborough.

I welcome you to the Chair, Mrs Moon, and it is an honour and privilege to serve under your chairmanship for the first time.

I also welcome the Minister back to her position after her maternity leave. It is great to see her reappointed to her post in the Department for Culture, Media and Sport under the new dispensation. In addition, I pay tribute to the excellent work by our colleague, the Lord Commissioner of Her Majesty's Treasury, my right hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett), who covered her duties during her absence, to his great credit.

I am here in Westminster Hall today to talk briefly about the potential development of the Flag Fen bronze age park in Peterborough. Flag Fen has the potential to be one of the finest cultural, historical and archaeological sites in the United Kingdom. In talking about Flag Fen, I will refer not only to the existing Flag Fen facility, which is located in my constituency about four miles east of the centre of the city of Peterborough, but to the Must Farm site, which is in the constituency of the Lord Commissioner of Her Majesty's Treasury, my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay), and adjacent to the town of Whittlesey.

Not many people will be aware of this, but the Fenland area to the east of Peterborough is one of the pre-eminent bronze age areas in the whole of Europe. The Minister may well know that in 1982 the noted archaeologist Francis Pryor, working with others, discovered the site at Flag Fen, which was a well-preserved wetland timber causeway. Since then, Flag Fen has been developed into a visitor centre with an additional bronze age archive, reconstruction and landscape recreation, with metal and other artefacts. Indeed, it is now a site for leisure and culture, and I can attest to the fact that it is a multi-use site because last summer I took my family to see a production of "The Three Musketeers" in the open air theatre at Flag Fen and we had a superb time. As the Minister will know, Flag Fen is managed by Vivacity, the arts, culture, sport and leisure trust, on behalf of Peterborough City Council.

Flag Fen itself is already considered to be a site of national importance archaeologically, and it is of course a scheduled monument. However, the site cannot be left in abeyance, because it is effectively drying out, which threatens its survival. Historic England is working with key stakeholders to see whether water levels on the site can be raised.

That is Flag Fen, but even more exciting is the site one mile to its east, Must Farm, which, as I have said, is adjacent to the town of Whittlesey. In 2011, nine bronze age log boats were discovered on the site and they are now preserved and displayed at Flag Fen. Further excavation of Must Farm has been undertaken by Cambridge Archaeological Unit, with funding from

Historic England and Forterra Ltd, the company that operates the brick pit in which the site is located. That archaeological work has provided us with unique insights into the late bronze age, creating a picture of life on the site 3,000 years ago.

At Must Farm, there are five well-preserved roundhouses, as well as food deposits; if anyone is interested, let me say that people in that period largely ate red deer, pike and wild boar. Other discoveries include fabric, a cartwheel, jewellery and animal skeletons. The site was partly destroyed by fire, which has led it to being described by the media as "The Pompeii of the bronze age", or sometimes as, "The Peterborough Pompeii". Some people in Fenland take exception to that latter description, as the site is in Fenland and not in the city of Peterborough, but we will not dwell on that. The point is that the site was evacuated very quickly as a result of the fire and its occupants naturally left in a hurry, but in so doing they left a portrait in time of life in the bronze age.

Must Farm has been described by Historic England as being undoubtedly one of the most important prehistoric sites excavated in Britain for many years and the site's academic value is undoubtedly very high. Historic England also says that many of the finds, including pottery, bronze artefacts and the largest glass collection from the bronze age ever found in the UK, are of a type never seen before or only partly seen, in fragmentary form.

Must Farm is a site of international importance and it attracts scholars from across the world. In time, it will revolutionise our understanding of life in the bronze age, both in the United Kingdom and in Europe. So it is right to pay tribute to the diligent, hard work of the fantastic team behind the excavation over the last few years, which has cost about £1.4 million and was essentially financed by Forterra Ltd and Historic England. I was privileged to have the opportunity in February this year to go with my neighbour, the Lord Commissioner of Her Majesty's Treasury, my hon. Friend the Member for North East Cambridgeshire, and the then acting Minister, the Lord Commissioner of Her Majesty's Treasury, my right hon. Friend the Member for Bexleyheath and Crayford, to see for ourselves the fabulous work and the dedication shown by the team on the site.

However, the site cannot be kept in its present state on its present location; inevitably, it must be relocated. Historic England and Forterra Ltd believe that, to continue the conservation and analysis of the timber structures that have been found, a three-year programme and funding regime is necessary. The Minister will probably know that a study was completed in 2014 that examined the potential options for and development of what was then described as a "Museum of the Bronze Age" in Peterborough. At the time, the study assessed the bronze age archive and the potential business models, viability and site option appraisals for bringing forward the museum project.

More recently—indeed, on 27 May—key stakeholders met to take this project forward. They were Historic England, Vivacity, Cambridgeshire County Council, Peterborough City Council, Cambridge University, the local enterprise partnership, Cambridge Archaeological Unit and Arts Council England. It shows how important this project is that such a wide range of key stakeholders are invested in its future success. They updated the finds from 2014 to this year, reviewed the feasibility study and expanded the assessment, looking at the site's tourism

[Mr Stewart Jackson]

and research potential, its development and business modelling options and its viability. Peterborough City Council was the key stakeholder and took the strategic lead on the project, with a firm belief that all those agencies should work collaboratively, because it was imperative to move forward on this important national and international project.

All parties agreed that the refreshed options appraisal should consider the most sustainable approach, including financial sustainability in respect of the future display of this hugely important fenland archaeological discovery. Flag Fen visitor centre will be central to the project, and an approach to the Heritage Lottery Fund will be the next step, with a view to bidding for between £2 million and £3 million to make it a reality. Incidentally, the Heritage Lottery Fund was not included in the key stakeholders' discussions, so that there was not a conflict of interest and the Heritage Lottery Fund could look with fresh eyes at the efficacy or otherwise of the stakeholders' proposal.

We hope that the project will emphasise providing the greatest possible benefit to the city of Peterborough's visitor economy, to Fenland District Council and to the utilisation of Peterborough's existing assets, which over the years include the refurbished and relaunched museum and, in pride of place, our wonderful medieval cathedral. The cathedral is more than halfway through its "Peterborough 900" appeal, which celebrates the 900-year anniversary of the establishment of a Saxon abbey on the site or nearby. That appeal is well on its way to achieving its aim of raising £10 million for a new visitor centre and other key buildings.

I am not saying that Flag Fen and Must Farm are the equivalent of Stonehenge or the Jorvik Viking Centre in York, but they have the potential to go in that direction and be a great asset. I am here to raise the profile of the project and, through this debate, to encourage serious scholars, students and casual visitors and tourists to go to the Peterborough area and see this fantastic project. I hope that the Heritage Lottery Fund is benign when it looks at our application in the next year or so and positive about the project. In Peterborough, we have a great archaeological, cultural, artistic and historic asset, which is of national and international significance.

4.12 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): It is a pleasure to serve under your chairmanship, Mrs Moon. I believe this is my first time, too. I thank my hon. Friend the Member for Peterborough (Mr Jackson) for tabling this debate. He said he wanted to raise the issue's profile through this debate, and he has certainly done that. It is important that we always consider our heritage, whatever that might be, when looking at everything to do with tourism and building on our local economy. I am grateful to him for mentioning the visit to Must Farm by my right hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett), while he excellently covered my position during my maternity leave. I have always believed that it is important for us as Ministers to put on our wellies and get out to such sites, so that we can fully understand what we are dealing with, particularly when it comes to archaeology.

As my hon. Friend the Member for Peterborough said in his contribution, the fenland east of Peterborough is a unique environment in this country. Excavations have forged new techniques and approaches that have helped redefine and enhance our understanding of pre-history. Favourable preservation conditions offer us an exceptional and invaluable window into the past. Flag Fen archaeological park, with its bronze age reconstructed roundhouse and the incredibly preserved timbers of the prehistoric causeway, allows us to travel back 3,500 years to discover what life was like for our prehistoric ancestors. The preservation and quality of the artefacts that have emerged are significant enough to offer an incredible insight into prehistoric life. It is held up as one of the finest bronze age archaeological sites in northern Europe. I understand that 200-plus school groups and 10,000 visitors make the journey to the site every year, and I hope they leave with a greater understanding of this truly internationally important discovery.

I join my hon. Friend in congratulating Vivacity, working on behalf of Peterborough City Council, on its work in developing the hands-on learning offer for schools. Its use of the Flag Fen collections helps students increase their engagement with history and archaeology more than classroom study would alone. To build on that work, I am pleased to confirm that Historic England's heritage schools programme has recently commissioned a project to further engage local schools in the pre-history of the Fens. The programme creates quality teaching resources and a bespoke curriculum to help educate students about their local heritage.

The Flag Fen site was discovered by Francis Pryor in 1982, and I was pleased to read that he is also advising at the recent excavations at the nearby Must Farm archaeological site. His skills and expertise are invaluable to this area of research. Both Flag Fen and the extensive Must Farm settlement excavations, which ended last week, are archaeological projects that have been in the vanguard of prehistoric research. The projects are not simply one-off excavations that have caught the media's attention. As Flag Fen demonstrates, the sites have an important and continuing role in developing our understanding of the prehistoric landscape. I am pleased to report that Flag Fen's expert staff are continuing to preserve our history and important artefacts on behalf of the nation. The eight log boats that my hon. Friend mentioned, which were discovered at Must Farm, are now being preserved at the Flag Fen museum. My thanks go to Historic England for contributing towards the Flag Fen excavations and the ongoing feasibility studies that are looking into the long-term preservation of the Flag Fen site.

The fen area is truly amazing. It is a rich source of archaeological finds. One fundamental aspect of archaeology is that new material is always refining and reworking existing knowledge. The fen area continues to contribute in no small way to our growing understanding of how our ancestors lived, as there is often no written record, but only physical remains to guide us, including landscapes, structures, sites, deposits and objects. Some of the remains lie hidden from sight, below ground or underwater, but others form prominent features in our landscapes or seascapes, contributing to the richness of their character, including their folklore. Together, they help to enrich our quality of life, by contributing to our

sense of cultural identity and spirit of place. They provide wonderful opportunities for research, education, leisure and tourism, much of which falls into my much wider portfolio.

Such remains represent a finite and often fragile resource, which is subject to a broad range of human activities and natural processes. My officials have liaised with their counterparts in other Departments to ensure that effective and consistent policies on the conservation and enhancement of nationally important archaeological sites such as Flag Fen are fully integrated into national planning policy.

Flag Fen was declared a scheduled monument by the Secretary of State in 2012 under the Ancient Monuments and Archaeological Areas Act 1979, giving it legal protection. As I mentioned, part of the site is open to the public as a visitor attraction. It has become really important to recognise that funding for archaeological sites is always needed. Owing to the site's nature and location, it is essential for Flag Fen to make the most of opportunities to provide the best facilities for its visitors and access for all and to continue its essential conservation work and research into its unique collection of finds.

I understand that Vivacity is in discussion with the Heritage Lottery Fund about an application for funding. I encourage those discussions to continue and will, of course, keep a close eye on progress. Although it is protected as a scheduled ancient monument, the site is on Historic England's at-risk register as it is gradually drying out, which threatens its continued survival. Historic England is conducting research and is in discussions with local stakeholders to find out whether site water levels can be raised; that is work in progress. My Department is working closely with Historic England to continue supporting British archaeology in all forms, from the first finds of an excavation to the preservation and research of our nation's treasures. Promoting the skills necessary for the understanding, protection and management of the historic environment is something that we take incredibly seriously.

I had the privilege of attending the British Archaeological Awards, where Must Farm was described as not just Peterborough's but Britain's Pompeii and won the award for best archaeological discovery. I congratulate again all who have worked on that important excavation. The award was voted on by an independent panel of archaeologists and reflects the breathtaking preservation of the layers of human occupation uncovered by archaeologists at the site, which was all once lost to rising sea levels, 3,000 years ago. Although somewhat separated both in space and time, Flag Fen and Must Farm are part of the same extensive and well-preserved fen landscape. Together, they have unparalleled potential to illuminate life in bronze age Britain. Through Historic England, we will continue to work with the Flag Fen visitor centre to help it to resolve the current issues that threaten the preservation of the site and to assist it in making the most of the opportunities that come forward.

Question put and agreed to.

4.20 pm

Sitting suspended.

Online Child Abuse

4.38 pm

Sarah Champion (Rotherham) (Lab): I beg to move,

That this House has considered prevention of online child abuse.

I am honoured to serve under your chairmanship, Mrs Moon, and to be in a room of parliamentarians who have campaigned for so long on this issue. I feel I am among friends, and I hope that together we can cover some real distance.

Tomorrow, the Office for National Statistics will release its police crime data for the past six months. It is the first time it is including online fraud and computer misuse. Fraud is a huge issue in this country—Age UK says that 53% of people over the age of 65 believe that they have been targeted by fraudsters—but the data coming out tomorrow will not include online abuse and harassment. Sexual offences are recorded, but not the age of the victim or the specific nature of the crime. I ask the Minister to look into that. For sexual offences, if we can differentiate between under 18s and over 18s, we would have a much better understanding of the scale of child abuse in this country.

Today I want to focus on online child abuse. Too often we think of child abuse as something that happens only to vulnerable children—many child protection services focus only on their definition of vulnerable children—but the truth is that the internet means that almost every child in the UK is at risk of abuse. Ministers have yet to show that they understand that. The Minister before us has an understanding of child abuse—I welcome her to her new role—and I hope she will be able to make a difference.

Let me set out the context. With respect to everyone in this Chamber, we are too old to understand the generational pressure that our youngsters are under because of social media. I was 26 when I got my first mobile phone, and I used it to text. I did not have the 24/7 immersion of the online world on my phone. We cannot understand the enormous psychological pressure that that puts on young children. They cannot get away from abuse; it follows them home. Bullying has always been here, but if I was bullied at school, when I got home and shut the door I would hopefully be safe from it. For children now, it goes on and on. We need to understand that as a country and as a Government. Seventy-eight per cent. of 12 to 15-year-olds own a mobile phone, 65% of which are smartphones, and a smartphone means access to the internet.

According to the 2015 Parent Zone survey, 67% of parents admitted to resorting to “iParenting”—that is, they are a bit busy, so they give their child the iPad as a babysitter. I understand that: children love being on the internet, and they love their iPads, but the iPad is a direct link to the outside world and its dangers. The problem is that parents often fail to appreciate the severity of the threat faced by their children, largely because they do not understand everything that their children are doing online. Half of young people living at home report that their parents know only some of what they get up to on the internet, according to an Ipsos MORI poll commissioned by Barnardo's.

[Sarah Champion]

People do not grasp how sneaky—for want of a better word, and keeping it polite—abusers and groomers of children are. I will give two examples, the first being gaming. A parent might buy the child an online game as a Christmas or birthday present. When the child is online playing, say, a shoot 'em up game, a chat is going on, and that is open internationally. When I speak to girls, they tell me that they turn it off, because of the amount of sexual harassment they get; when I speak to boys, they tell me, “Oh no, it's other boys my age who are talking to me about who we are going to shoot, and who we are going to kill.” Talking about the abuse on the screen is only a slight step from starting to groom or radicalise a child—we need to understand that.

My other example is something else that we need to understand. A police officer told me this. A family might be watching TV on a Sunday evening and the child is there, but with an iPad. The parents have no idea whom that child is talking to, or what is being said. Parents do all they can to protect their children, but they are literally letting someone into their home—someone they have no control over and have not vetted. To be honest, there are a lot of bad people out there who are deliberately using the internet to target our most vulnerable.

Mrs Maria Miller (Basingstoke) (Con): I commend the hon. Lady on securing this debate. I also welcome my hon. Friend the Minister to her place—a promotion long overdue. The hon. Lady is absolutely right that children can be open to the many different ways of harassment that she is describing. Does she, like me, want to see the producers of such platforms and products take far more responsibility for building out the problems from the design stage, rather than leaving it to parents to police what can be almost impenetrable problems?

Sarah Champion: The right hon. Lady makes a very key point. For film, the British Board of Film Classification will vet films and put criteria and age limits in place. That needs to be happening much more robustly with games. Gaming in particular has a nasty, misogynistic element. For example, one incredibly well known game gives extra points to someone sleeping with prostitutes who then abuses or gang-rapes them. The game might have age verification for 18, but what happens if someone is playing it with a younger brother who is eight? We need robust legislation, because we are taking those games into our homes and giving them to our children.

As I said, the mobile phone and the iPad enable children to be bullied 24/7. To give some stats to back that up, one in three children has been a victim of cyber-bullying, and almost one in four young people has come across racist or other hate messages online. According to the 2016 Childnet survey, 82% of 13 to 17-year-olds had seen or heard something hateful on the internet in the past year. By “hateful”, I mean something that has been targeted at people or communities because of their gender or transgender identity, sexual orientation, disability, race, ethnicity, nationality or religion.

To highlight the impact of bullying, I will focus on one aspect of it: the lesbian, gay, bisexual and transgender community. Recently, Stonewall released truly shocking figures: nine in 10 young people have heard homophobic remarks at school; six in 10 young people have experienced

homophobic bullying; and one in four young gay people has reported experiencing homophobic abuse online. Then there are the consequences—I am going goosebumpy as I read this—which are that two in five of those young LGBT people contemplate suicide and 50% self-harm. Young LGBT people are three times more likely to commit suicide than their straight peers. That is what our young people have to deal with.

When I started to research online abuse, I had not considered the targeting of specific groups because of their sexuality or situation. We should think about it from the point of view of young people considering their sexuality. They will not talk to their mum or, probably, to their teacher. Where do they go to find information? They go online. Paedophiles and perpetrators deliberately target young LGBT people because they know that young LGBT people are vulnerable and isolated. They then meet and abuse them. Unfortunately, for some of our young people, that is a daily occurrence.

I also want to talk about young people and children with learning difficulties, and two things in particular. First, the overly sexualised behaviour of children with learning difficulties is often put down to their condition rather than being considered to be a cry for help, or a side-effect of being abused. We absolutely have to challenge that. One in four children is targeted with online hate because of their gender, sexual orientation, race, religion or transgender identity, but that horrifying figure goes up to 38% for someone who has learning difficulties. Those people are being deliberately targeted because of their condition. I urge the Minister to focus on those specific groups.

I will now talk about the internet world. I have been very honoured to work with a fantastic organisation called the Internet Watch Foundation, which I commend to the House. The foundation's most recent report was in 2015. It found 68,092 pages of web images that it confirmed as child sexual abuse images. To break the stat down, that is 68,000 children who have been abused for the gratification of a paedophile, and 68,000 lives that have been decimated. We need to put support in place. That figure is 118% up on last year, an increase that tallies with what police forces and social services are telling us—such crime is growing exponentially. We have to do all that we can to prevent it.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I am grateful to the hon. Lady for securing the debate, and I, too, welcome the Minister to her place. Something raised during consideration of the Policing and Crime Bill was the need for child sexual exploitation units, as well as specialist digital units, in police forces throughout the country. I am sure she shares my concern about the inconsistency of approach among police forces and, possibly, among the devolved nations.

Sarah Champion: I do. We should praise the Child Exploitation and Online Protection Centre, which has done fantastic work, but I have spoken to officers on the street. Once CEOP went into the National Crime Agency, it seemed to lose its teeth and identity a little. I know the hon. Lady tabled an amendment to that Bill to that end, but we need to ensure that the whole police force understands online abuse, how to refer it and how to act on it. Online crimes are as depraved as those that happen in the real world, and in sentencing terms need

to be seen as involving the same degree of violence towards a young child. We seem to think that, because online crimes happen in the virtual world, they do not matter as much, but they really do.

Liz Saville Roberts: I very much praise the child abuse image database, which is evidently helping to deal with the backlog of forensic work on digital devices. None the less, there were 410 victims of child sexual exploitation in the first months of last year, and those victims need support. This is not just a matter of dealing with the evidence; it is about how we actually support those children afterwards. The figure of 68,000 that the hon. Lady mentioned is a terrifying number of lives to have been affected.

Sarah Champion: It really is, but let us scale that internationally. The Internet Watch Foundation does fantastic work. When it finds an image, it takes that image down and reports it to the police, and the police will act on it. Google and Facebook get a lot of criticism, but they are doing what they can to manage, contain, report and take down offensive images. We have really good legislation on that kind of thing in this country, and there is really good legislation in Europe, America and Canada. If any of the creators of child abuse websites are in those countries, we can do something swiftly. However, there has been a proliferation in third-world countries—particularly those in south-east Asia—of the most heinous forms of child abuse. I will not go into detail; I will just say that there are “pay as you view” systems there—sorry, it gets me every time. We cannot do anything about that, because unless those countries sign up proactively to address this issue, all that we will be doing is shifting the problem from one country to another. I urge the Minister to work with her international counterparts to get absolutely zero tolerance across the country and around the world.

Mrs Miller: There is one way that we can tackle that problem: through payment systems. It is important for the Minister to respond to that point with particular regard to putting pressure on international payment systems to try to address the problem that the hon. Lady is talking about. The previous Prime Minister worked hard on the use of splash pages to try to obscure the pages that internet companies may not be able to take down. Some of the very best people work in the internet industry. Does the hon. Lady not wonder, like me, why we are not seeing more innovative ways of resolving the sorts of problems she is describing?

Sarah Champion: I do, but given the proliferation of such abuse, we are always lagging behind. There are twisted people with the life mission of abusing children and sharing these images. Sadly, we are always playing catch-up to them, which is why we always need to send out the strongest possible message: “This is not tolerated. We will come after you, and we will prosecute you.”

We also need to accept an uncomfortable truth. A survey by the National Society for the Prevention of Cruelty to Children found that one in five indecent images were actually generated by children themselves. I would like to explore two parts of that issue. The first is sexting. Young people are sexually curious—they always have been and they always will be—and we should celebrate that; it is part of developing. However,

they need guidance on the consequences and boundaries of that and the long-term impact of putting something into the ether of the internet.

There is a lot of pressure on young people to upload more and more explicit images. The young girls I have spoken to in particular do not realise that there are perpetrators out there who go through Facebook or chatrooms harvesting images, and a large proportion of those images actually appear on paedophile websites. When a girl sends a picture to her boyfriend and he uploads it as a “joke”, it is very likely that it will not just be her boyfriend who sees it, but there will be a vile old man in a room somewhere looking at it. That is one of the things that we need to get across.

Esther Rantzen is doing some fantastic work on this issue and is looking to create an extension of ChildLine, specifically for teenagers, called “Is that okay?” Young people are saying that they are not quite sure what the boundaries are or what is appropriate, so we need to step in and tell them—probably through the internet, because that is where they get all their information from—what is okay and what the consequences are.

One of the things that started me on this crusade to do something to make people aware of the threats on the internet was that last autumn a mum came to one of my surgeries absolutely distraught and devastated because she had found that her 12-year-old was uploading very sexually explicit videos of herself to a chat website. She was getting a barrage of responses and an awful lot of pressure to keep uploading images. When the mum spoke to her daughter, the daughter said that it was fun, it was up to her, she could do it herself, there was no harm in it and the man was her boyfriend. The mum tried to explain the consequences, but the 12-year-old was not listening, so the mum went to the police. The police said, “Well, it’s just a bit of fun, and she’s choosing to do it.” The mum went to social services, and they did send round a social worker, who met with the girl and explained some of the dangers. Both services then backed off.

The uploading of the videos got more extreme. The mum telephoned round again and was told to take the phone off the daughter. As the mum explained, “That’s all very well—I can take the phone off her—but what about her friends who have phones? What about the iPad that her brother has? What about the computers at school?” The mum had come to me because she was desperate. She said, “I don’t know what to do. I don’t know how to stop this. I can’t find any advice.” I created a website called Dare2Care, where we have brought together all the information about this issue. Parents are crying out for the tools and the understanding to protect their children online, and I urge the Minister to do all that she can to circulate that information.

The mum tried to take the phone off her daughter and, lo and behold, the daughter stole her phone and hid it. It was only when the mum went to the police with some of the images and videos that her daughter had taken and said, “This is what she’s doing,” that the whole child protection system suddenly swooped down. It swooped down to protect the child, but I have a mum who is devastated that she let her child down, and I am devastated that as a country we let that mum down. That mum will be representative of mums around the country. That is why I urge us to make sure that all parents and professionals are aware of this issue.

[Sarah Champion]

Why is this happening? The internet is a relatively new phenomenon. Sadly, we have always had paedophiles, but whereas before they might have taken a couple of years to groom a couple of children, now they will have a phishing exercise. They will chuck out a thousand emails to children, and they will target the one or two who are vulnerable. That process, which used to take years, now takes days or hours. Paedophiles' reach has become enormous.

Another thing to which I draw hon. Members' attention is online porn. Again, we have always had porn, but the internet is giving it a new, more sinister overtone. The NSPCC and the Children's Commissioner surveyed 1,000 children aged between 11 and 16, and found that at least half had been exposed to online porn, with 94% having seen it by the age of 14. A Girlguiding survey found that among girls aged 11 to 21, seven in 10 feel that the increase in online porn contributes to women being treated less fairly than men, and 73% believe that pictures such as those on page 3 have that effect.

Again, I give my own story: when I was 14, a gang of us had a porno mag that we kept in our den. Looking at an image of a naked woman is very different from looking at a video of someone being gang-raped, and that is what our children are finding. There is no suggestion or imagination; this is basically an online manual of how to abuse a woman, and it is predominantly, by far, the abuse of women that is happening in porn.

From a child's perspective, they are curious about relationships, they try to find out and they find out by going online. What do they find? Porn. I have had boys in my constituency who are really anxious about having sex because they do not want to strangle their girlfriend, and they think that is what they have to do. I have girls in my constituency who are terrified about having to endure the violence, but they want to have a boyfriend so they think that is what they have to go through. They have no background to let them see that as a fantasy. They have no background knowledge of consent, of respect and of the ability to say no.

What is the solution? Basically, it is to give all children understanding around resilience and relationships. Currently, children are not learning about the dangers of the online world, or about respect, sex or consent. Sex Education Forum found that 53% of pupils have not even learnt how to recognise grooming or sexual exploitation. Charities, experts and survivors of abuse are all united in saying that improving children's awareness of respect for relationships from a young age is the best way to prevent child abuse. Introducing compulsory, age-appropriate resilience in relationship education in schools would show that the new Prime Minister, the new Education Secretary, the new Home Secretary and the new Minister are serious about acting to prevent more child abuse.

What I am saying is that we need to give the children the tools to protect themselves. I urge that to happen from the youngest age. For example, as soon as children go into school, I want them to be taught about "No means no". If someone wants them to keep a secret that makes them uncomfortable, they should tell someone else and they should be listened to. I want them to understand that there are people who are bad out there and that they can tell people if they feel uncomfortable.

I am not talking about teaching five and six-year-olds about sex—nothing about that—but when two-year-olds start to go to playgroup, we teach them not to snatch toys and not to push children over, so why can we not also teach them about respecting themselves and other people in the language they will understand? The NSPCC runs the fantastic PANTS campaign, which teaches about just that: what is in your pants is yours and is private. That is a very simple message that we can get across.

The other key thing is to ensure that parents and professionals know and understand the signs and symptoms and how to tackle the suggestion and the actual online abuse that is happening. We need to arm them in advance, because as I have said, this is a generational crime. We are not, and have never been, in that submersive environment as young, malleable children, so we need to ensure that everyone who is there to protect our children understands the effects of that and also how to prevent them. I have to say—not least because we have a Select Committee Chair in the Chamber—that the Select Committees on Education, Health, Home Affairs, and Business, Innovation and Skills all recommend statutory relationship education.

I have three asks of the Minister. The first is a public awareness campaign. I have mentioned my campaign, Dare2Care, which she is free to take and use. All the major charities and academics have contributed, as well as survivors and campaigners, so all the information about preventing child abuse is there. Secondly, she knows that there is already a good e-safety course, which goes to all children in all key stages, but it focuses more on data protection and personal security than on recognising and dealing with abuse. There will be some fantastic teachers who will ensure that online safety in its broadest sense is happening, but I urge the Minister in her guidance to ensure that that is a serious component. The other, final point is about relationship and resilience education for all children to prevent online abuse. I also say to the Minister that we need to focus on literally all children, whether they are home schooled or not and whatever sort of school they go to.

The Government have done quite a lot in this area, but they need to do more, because I do not think they recognise the scale of online abuse that is happening and the potential dangers to our children. I ask the Minister to please take up this campaign, because our children depend on her.

Mrs Madeleine Moon (in the Chair): I advise Members that I will go to the Front-Bench speakers at 5.18 pm at the very latest and that the debate will end at 5.38 pm.

5.7 pm

Louise Haigh (Sheffield, Heeley) (Lab): Many thanks, Mrs Moon. It is a pleasure to serve under your chairmanship again. May I add my congratulations to my hon. Friend the Member for Rotherham (Sarah Champion) on securing the debate and to the Minister on her new role? I want to speak only briefly, as I have a specific concern that I would like to draw to the Minister's attention.

As we know, schools play a vital role and are in a strong, if not unique position to identify concerns around child abuse and child protection. However, I have concerns that the training that teachers in schools receive is not

up to the challenges that they as teachers, as well as parents and pupils, face in an ever-changing digital world. I therefore completely support my hon. Friend's call for compulsory and age-appropriate relationship and resilience education and for much better online and face-to-face support for parents and teachers.

I would really like that training to include the specific issue of online dating and dating apps in particular. This issue was raised with me recently by a Sheffield teacher who teaches at a special educational needs school and has been concerned to see young girls using apps such as Tinder and happen to look for older men. The concerns around that are obvious: either older men are deliberately looking for young girls or young girls are pretending to be older than they are to get an older boyfriend. As my hon. Friend said, that is not exclusive to vulnerable children; it affects all children.

I understand that the cyber-safety training that teachers currently receive mostly covers issues such as “Be careful who you speak to” and “Make sure they are who they say they are while online”, but it does not cover girls, or indeed young boys, out there on dating sites in frankly perilous circumstances. Take Tinder, for example, which has 50 million users worldwide. Last month, it rightly took the step to ban users under the age of 18. Previously, it had an age restriction of 13, but it only allowed those aged 13 to 17 to view profiles within that age bracket. The issue now is that Tinder takes its data and data verification from Facebook, which can easily be manipulated and falsified. There is every chance that fake Tinder profiles could be set up to exploit and groom children. Facebook even allows people to change their ages after they have signed up to profiles, so the risks are enormous.

I would therefore simply ask the Minister to consider making representations to Tinder and similar dating apps and sites on this subject. If she is willing to do that jointly with me, as shadow Digital Minister, I would be happy to join her in that. We absolutely must be pushing them to ensure there are robust age verification tools across all such platforms. Secondly, will she consider making representations to her colleagues to consult on the training that teachers receive in this area to include dating sites and their appropriate use?

The world is changing so quickly, so teachers and all safeguarding professionals—and, most importantly, parents—must be aware of any opportunities that could be exploited to harm children. I encourage the Minister to ensure that all training in the area is updated and reviewed on at least an annual basis to ensure that it is as up-to-date as possible.

5.9 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate the hon. Member for Rotherham (Sarah Champion) on securing the debate on this vital issue. I am not the only man in the room, but it is always good to come and speak on these issues to make it clear that concerns are across all genders. It is nice to see the shadow Minister in her place and I welcome the Minister to her position. As has been said, her elevation is not before time and we look forward to her response.

Times are always changing, but it seems the internet has brought an unprecedented change to our society at pace and it is essential that we keep up with it. Just a few

decades ago, it would have been impossible to envisage the society in which we live now and in which our children are growing up. The right hon. Member for Basingstoke (Mrs Miller) sponsored a debate in the main Chamber last week along the same lines as this one, outlining the issues. I commend her for her presentation on that day and for her interventions and participation today.

Parents can make a difference by censoring what their children see online, but with more devices available and more methods to access the internet, the Government ultimately have to take action to ensure that young people and children are protected online. In her introduction, the hon. Member for Rotherham gave that horrifying example of a young daughter who thinks it is all right to do those things, with her frustrated mother protectively saying “No, it is not”, and going to the police and the social services and all of those things without any success or response. That frustration, which the hon. Lady so convincingly put to the House today, underlines the problems for parents in how difficult it can sometimes be to win over a child who might not know their own mind.

It is difficult to strike a balance. I believe the Government recognise that and the Minister's response today will therefore be important. It is important for Members to recognise that getting it right is difficult, but more needs to be done to prioritise the issue—the debate is a way of doing that—and strike the balance so that the Government can make a difference for those affected and those at risk. Whenever we hit a brick wall or an obstruction, we look to those who can help, and we look to the Government for legislative change. That is what the debate today is about, and what the debate in the main Chamber last week was about as well. It may be difficult to get it right, but it is essential it is resolved. The longer it takes, the more young people and children are at risk of being victims.

It is clear that this is not just an issue for the hon. Lady's constituency of Rotherham, but an issue for us all, including in my constituency of Strangford in Northern Ireland and every hon. Member's constituency in the whole of the United Kingdom of Great Britain and Northern Ireland. Some 259 sex crimes were allegedly committed at schools in Northern Ireland and reported to the Police Service of Northern Ireland in just three years. Officers in Northern Ireland recorded 66 school sex attacks that were related to the internet in 2012-13; 79 attacks in 2013-14; and 114 assaults in the latest academic year of 2014-15. Data supplied by the PSNI to the NSPCC showed there were 139 recorded sex offences against children involving the internet in the past year.

Those figures show the growing problem. The hon. Lady said that in her introduction, and I clearly concur. The NSPCC says those statistics show that the internet was used as a “gateway” to sex offences against children. How can we more aptly describe exactly what has taken place? One child being a victim is one child too many. The time for action to make that statistic zero, as it should be, is now. Data from 38 out of 43 police forces suggest that the internet was used in 3,186 sexual offences against children in the year to 31 March—equivalent to eight per day. That is a horrendous figure. It should shock all of us in this Chamber and should shock society. It should vitalise us to ensure that the Government can make legislative changes and control it.

[Jim Shannon]

I know the Member from the Scottish National party, the hon. Member for Lanark and Hamilton East (Angela Crawley), will speak shortly, but in Scotland the number of adults targeting children with indecent communications online or via text increased by 60% from 2013-14 to 2014-15. If such figures in Scotland were replicated nationally, it would show that the internet is becoming a hotbed for abuse against children. It is clear that there needs to be a framework in place to stop it, which is why we need the debate and Government action.

According to the data, a majority of offences in Northern Ireland—a total of 105—involved 12 to 15-year-olds, but in 30 cases the victims were aged 11 and under. My goodness me. If that does not shock us, it should. I think we are all shocked when we hear those figures. Pure innocence destroyed at a very early age. The crimes include horrendous stories of young people being forced to send pictures of themselves to adults who are posing online as young people when they are quite clearly not. Let us be honest. The repercussions are not just the traumatic effects upon those children—some of those young people have committed suicide as a result. It drives them to extremes at a vulnerable time. It is vulnerable people being taken advantage of.

To think that an adult could do such a thing to abuse a young child's innocence and trust is absolutely despicable, but unfortunately the reality is that there are such monsters out there and it is time to get the laws, the law enforcement and the awareness and attitudes right so that those monsters—those abusers and scum of the earth—can no longer be of any harm. We all appreciate the difficulty of striking a balance and of finding a remedy that works without infringing on other areas and without unintended consequences, but the stats and the figures cannot be ignored. The pain and the hurt cannot be ignored. This issue is only getting worse and it needs to be bumped right up the Government's priority list and addressed sooner rather than later.

We look to the Minister for her response. I know she is a compassionate lady and I am convinced her response will be one we are heartened by. I know she wants to see things happening in the way we all want to see, but we have to help those vulnerable people right across the whole of the United Kingdom of Great Britain and Northern Ireland. In conclusion, I ask the Minister if we can work together—the Northern Ireland Assembly, the Scottish Parliament, the Welsh Assembly and us here at Westminster—to rid society of this scourge once and for all.

5.16 pm

Angela Crawley (Lanark and Hamilton East) (SNP): I welcome you to your post, Mrs Moon, and I welcome the Minister and the shadow Minister to theirs. It is excellent to see strong and confident women in those positions and I am sure they will take their challenges and responsibilities seriously. I congratulate the hon. Member for Rotherham (Sarah Champion) on securing the debate on an issue that she has worked and campaigned tirelessly on, not least through her work on Dare2Care. It is fair to say she has gone above and beyond her public duty to tackle this issue. She takes it incredibly seriously, which I am sure all hon. Members in the Chamber also do.

This is a broad debate. Online abuse covers any type that happens on the web. We have already heard about the role of social networks, messenger services, chatrooms, playing online and mobile phones. Anecdotally, as one of the younger Members in the Chamber, I received my first mobile phone at the age of 13. It was a Nokia 2210, on which someone could play snake or push their luck by texting home and asking if they could stay out late.

That was what mobiles meant to me and my generation but times have certainly changed, with 24/7 social media online. I cannot even keep up with the current trend of Pokémon Go, and I am obviously too busy to play it. Through social networks such as Facebook, Twitter and Instagram, online abuse is a new and growing phenomenon. With the increasing use of the internet across the UK and the world, and with the advent of smartphones, our young people are now more vulnerable than ever before, and traditional understanding of child abuse has been deepened and compounded by that fact.

At this point, it is important to recall the words of the hon. Member for Rotherham and many others who have contributed to the debate highlighting the instances of bullying, in particular of the LGBT community; the rates of suicide and self-harm, which cannot and must not be ignored; the influences of apps, games and other online devices; and the role and increasing accessibility of online pornography. It is fair to say that this is a very different world from the one I started in, and future generations will come into a very different world still, so our resilience, understanding and approach are absolutely vital.

The right hon. Member for Basingstoke (Mrs Miller)—I have the honour of serving on the Committee of which she is the Chairwoman—highlighted the need for protections in the design and build of apps. The hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts)—I hope she forgives me for terribly pronouncing the name of her constituency—highlighted the need for databases, but how many instances go unrecorded? The hon. Member for Sheffield, Heeley (Louise Haigh) highlighted the role of dating apps and the potential for fake profiles. The hon. Member for Strangford (Jim Shannon) recognised with his always measured and reasonable approach the need to strike a balance, and the need for all of us to work collaboratively across devolved nations and reserved competencies to ensure we tackle the issues head on, and that we do not underestimate the challenges we face.

Children, as we have heard, experience cyberbullying, grooming, sexual abuse, sexual exploitation and emotional abuse through devices and services that have become integral parts of their social lives. We need to look only at the Channel 4 documentary “Cyberbully”. “Game of Thrones” star Maisie Williams highlighted to me and to many parents out there the challenges and difficulties that young people face simply by sitting in front of a PC, laptop or mobile phone. In this day and age, the internet gives abusers unprecedented access to children and the ability to contact them at any time, day or night. It erodes traditional safe spaces. Children can be at risk of online abuse from both strangers and people they know.

The NSPCC has outlined some of the difficulties for children facing online abuse. Children will often not tell anyone about online abuse because they feel guilty or ashamed. When they would like to tell someone, they

often do not know who to go to, and many will not even realise they are being abused. According to Ofcom, one in five eight to 11-year-olds and seven in 10 12 to 15-year-olds have social media profiles. The number of children who are at risk is increasing and we must do more to safeguard them.

The scale of the problem has not been pinned down by any definitive or official figures. The fact is that we simply do not know the scale of the problem, but that does not mean we cannot put protections in place to tackle it. In 2014, studies found that one in four children between the ages of 11 and 16 had experienced upsetting or abusive language online while on social networks, and one in three children had been the victim of cyberbullying. Youth engagement organisations such as DoSomething.org suggest that nearly 43% of children have been bullied online. More worryingly, in 2015 the Internet Watch Foundation identified 68,000 websites containing child abuse images.

If we dispense with the statistics for a moment, it is fair to say that we do not yet know the full scale of this issue, but we know we must do more to tackle it. It is hard to underestimate the work that must be done and is already being done by many charitable organisations to tackle child abuse. The information and statistics supplied by the NSPCC and other charities and organisations are up to date and highly informative in dealing with abuse.

I want to highlight the work of the Scottish Government—I say this not to be political, but simply to enhance the debate. Since 2009, online safety has been monitored by the Scottish Government-led stakeholder group on child internet safety, which has made a number of recommendations. In recent years—as early as 2014—those recommendations resulted in a refresh of national guidance and child protection policies. Recent developments such as the national action plan for tackling sexual exploitation and the cyber-resilience strategy outline that Scotland takes this issue incredibly seriously. The Scottish National party condemns all instances of online abuse and welcomes any efforts to strengthen legislation in order to tackle it. The Scottish Government firmly believe that online abuse is unacceptable. Scotland's anti-bullying services—

Mrs Madeleine Moon (in the Chair): Order. The hon. Lady is eating into the Minister's time. Can she bring her remarks to a conclusion? She has had more than her allotted five minutes.

Angela Crawley: Forgive me, Mrs Moon. I will close by simply saying that, to tackle this problem and the scale of it, we must collaborate and co-operate with one another.

5.23 pm

Carolyn Harris (Swansea East) (Lab): It is an honour to serve under your chairmanship, Mrs Moon. May I congratulate my hon. Friend the Member for Rotherham (Sarah Champion) on securing this very important and necessary debate? I congratulate her and other Members on the thoughtful and emotional speeches they have given.

Technology is a wonderful thing. It has moved on. I was 38 when I got my first mobile phone. Before that, I had a pager—something that not many people in this

room will remember. However, that has come at a cost, and the cost is one that I fear is really not worth paying. The internet has provided our children with a world of new possibilities and opportunities. The digital age gives children access to knowledge, facts and friends all over the world, but the internet and the way it is being exploited by those intent on committing the most heinous crimes poses a considerable threat to the safety and wellbeing of all our children.

According to the Internet Watch Foundation, in 2015 more than 68,000 URLs were confirmed as containing child sexual abuse imagery, having links to the imagery or advertising it. As my hon. Friend the Member for Rotherham said, that figure is up a frightening 118% since 2014. Behind every indecent image online and every video or photo of abuse, a child has been harmed or abused in the real world. The victim is condemned to repeated violation and degradation each time the image is accessed. Perpetrators are using the internet to sexually exploit children through manipulation and coercion.

The NSPCC found that in 2014-15 the internet was used in eight cases of child sexual abuse every day, including rape, online grooming and live-streaming of sexual abuse. As technology has developed, so have the ways in which children suffer bullying, which often takes place online and is relentless, without any sanctuary or safety for the child. As the mother of a teenage son, I know—I have seen the texts and the vile Facebook posts that kids seem to think are a way of life these days.

In 2015-16, ChildLine provided 4,541 counselling sessions about cyber-bullying, which is the highest the figure has ever been. The impact of this behaviour on children can be devastating, reducing their self-esteem, impairing their ability to establish normal relationships and, in extreme cases, leading to mental health problems, including self-harm and, tragically, suicidal thoughts. Children also face peer pressure to share explicit images and engage in harmful sexual behaviour. As technology has developed, sexting has become an increasingly common activity. With greater access to the internet, children are exposed to more and more harmful content. Frighteningly, many children believe that pornography is an accurate representation of sex. Just over 53% of boys and 39% of girls who were surveyed by the NSPCC said that they thought pornography was realistic. The images of sex, violence and consent portrayed through pornography are distorting the very way in which boys and girls relate to one another.

The problems outlined in today's debate are not news; they are not new, and the Government know all about them. I am sure the Minister knows that children are growing up facing a tidal wave of online abuse, bullying, harassment, peer pressure and exposure to totally inappropriate content, yet we do not give them the tools to protect themselves, to recognise abuse and exploitation and to build resilience in coping. We do not give parents the knowledge and confidence to keep up to date with the threats their children are facing. We do not give teachers and other professionals the training they need to support children.

Will the Minister tell us whether she has any plans to help proactively protect children from online abuse, exploitation and cyber-bullying? Does she agree with the former Education Secretary, the right hon. Member for Loughborough (Nicky Morgan), and with four Select Committees, MPs from across the House, children's

[Carolyn Harris]

charities, experts and academics that mandatory, age-appropriate relationship education in schools would provide children with the knowledge and resilience they need to challenge this behaviour? Will the Minister today take the opportunity to put right what the previous Government got wrong by supporting and teaching our children to protect themselves from this phenomenon?

5.28 pm

The Parliamentary Under-Secretary of State for the Home Department (Sarah Newton): It is a pleasure to serve under your chairmanship, Mrs Moon. I wholeheartedly congratulate the hon. Member for Rotherham (Sarah Champion) on securing this debate and raising an issue that is so incredibly important. It is good to see so many people in the room today, including my right hon. Friend the Member for Basingstoke (Mrs Miller), who chairs the Women and Equalities Committee. I cannot tell Members what a privilege and honour it was to be asked to take on this role as Minister. I cannot think of a better job in government. I will be working with people across all political parties on preventing harm to children in our society.

Sexual exploitation of children, whether online or offline, is an appalling crime. I know that the hon. Member for Rotherham has campaigned tirelessly against it, and I do not think I need to tell the House how determined and committed the Government are to tackle it robustly. I would like to give my assurance to hon. Members of my personal commitment to this. On only my second day as a new Member of Parliament back in 2010, a paedophile ring was unearthed in my constituency. I represent a beautiful, coastal, rural part of Cornwall. I grew up there and I went to school there. The community where that happened is where my family lived and I was deeply shocked. I have been on the journey of seeing what a devastating crime this is, not only for the people directly involved but for the whole wider community. I am utterly determined to use my time in this post to do everything to prevent it.

The Government are committed to improving the safety of children online and have a strong track record of working with the industry and the charity sector to achieve this. The UK Council for Child Internet Safety, which is co-chaired by Ministers, is a multi-stakeholder forum representing more than 200 organisations that are committed to internet safety. It brings together the Government, industry, law enforcement agencies, academia, charities and parenting groups to work in partnership to help to keep children and young people safe online. Its achievements include the roll-out of free network-level filters for the vast majority of broadband customers and automatic family-friendly, public wi-fi in places where children are likely to be. It has also developed guidance for providers of social media and interactive services to help them to make their platforms safer for children and young people under 18, and another for parents and carers whose children are using social media.

The hon. Lady mentioned children accessing pornographic information and images online. The Government have consulted on this and are introducing measures in the Digital Economy Bill to prevent access to pornographic material online without age verification.

I am sure she will agree that this is a really important step forward. We will carefully monitor the implementation of the age verification measures.

Sarah Champion: I am sure the Minister is aware that almost any 12-year-old in the country can get round any blocks and devices to try to prevent them from accessing content. Will she consider piloting that verification with some young people, so that we use their experience to make sure it is as robust as she says?

Sarah Newton: It is a really good idea to get children involved as the implementation goes ahead and I will take that away.

We are clear that abusive and threatening behaviour online, whoever the target, is totally unacceptable. We expect and demand that social media companies have robust processes in place to address inappropriate behaviour on their sites, including the provision of clear reporting channels and prompt action to assess reports and remove behaviour that does not comply with their terms and conditions.

As we have seen today, there is an even more insidious threat facing children online: sexual exploitation. Our response to that is rightly robust and includes action by law enforcement agencies against online offenders, developing new capabilities to find and safeguard victims, and working with the internet industry to remove illegal images. All police forces and the National Crime Agency are now connected to the child abuse image database—CAID—which reduces the time taken to undertake investigations and identify victims. A new victim identification suite has been established by the National Crime Agency with access to CAID. In 2015-16, UK authorities identified more than 450 victims from abuse images, more than double the number in the previous year.

The hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts)—I am sorry if I mispronounced the name of her constituency—rightly questioned the resources for digital forensic teams in forces around the UK. These are operational matters for local police officers, but I am aware that real improvements have been made in the prioritising of resources for this work. Officers have been working with the NCA to use the tools that are constantly being developed. It is an area where we have to be vigilant all the time through the use of technology to enhance identification and processing. I will be keeping a careful eye on that and working on it with the police and crime commissioners.

We were talking about financial resources. In 2015-16, the NCA received an additional £10 million of investment for further specialist teams to tackle online child sexual exploitation. That enabled a near doubling of its investigative capacity to tackle such exploitation. A joint NCA and GCHQ team has been established to target the most technologically sophisticated offenders.

Our law enforcement response is delivering effectiveness against offenders. In 2015, 2,861 individuals were prosecuted for indecent images of children offences, a 27% increase on the previous year. In co-ordinated activity in the nine months ending last November, undertaken by the NCA and 40 police forces, 399 children were safeguarded and 682 individuals were arrested, all of whom were suspected of making, distributing and/or possessing indecent images of children.

The NCA also works to protect children and young people from abuse. The Thinkuknow education programme provides resources for use with children and young people, helping them to identify the risks that they may face both online and offline, to understand how to protect themselves and to know how to seek further support. In 2015-16 alone, just over 1.5 million primary and just under 2 million secondary school children received face-to-face education sessions from Thinkuknow's network of more than 130,000 professionals, and the number of children and young people reached through Thinkuknow was over 205,000 more than in the previous year. Thinkuknow's educational resources, including films, cartoons, lesson plans and websites, educate children about keeping themselves safe from sexual abuse and exploitation.

As several hon. Members rightly pointed out, schools have a critical role to play in protecting children from the risk of abuse online. E-safety is now covered at all

key stages in the curriculum, including key stages 1 and 2, reflecting the fact that younger children are increasingly online. I will very seriously consider the recommendations made by the hon. Member for Rotherham today about what more can be done in that curriculum development.

Safeguarding is now a key consideration in all Ofsted school inspections. As part of their assessment of safeguarding, inspectors need to consider pupils' understanding of how to keep themselves safe from relevant risks such as exploitation and extremism, including—

5.38 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statement

Wednesday 20 July 2016

WORK AND PENSIONS

Welfare Reform

The Secretary of State for Work and Pensions (Damian Green): Universal credit is the biggest transformation of the welfare state since its inception; it has formed and will continue to form a key part of this Government's action to reduce reliance on benefits and increase incentives to work. It is a reform which is fundamentally about helping people to build better futures for themselves and their families.

Universal credit has been successfully rolled out across the country to new single jobseekers and is now available in all jobcentres. Over a quarter of a million people are now receiving universal credit, with around 12,500 new claims every week.

It is essential that the universal credit roll-out for all claimant types is delivered in an orderly and successful manner; that claimants receive the support they need in a timely fashion; and that welfare reforms are delivered safely as the roll-out continues. The previous Government altered the universal credit roll-out schedule to make sure that the delivery continues to be safe and controlled. I believe this was the right decision: this new Government are committed to administer the universal credit programme in a careful, reliable and transparent fashion.

First, it is important to deliver the policy to limit the child element of tax credits and universal credit to two children to its planned April 2017 timetable. Therefore, we will direct new claims from families with more than two children to tax credits until November 2018. Thereafter, new claims from families with more than two children will be taken through universal credit. Families already on universal credit who have a third child after April 2017 will remain on universal credit and receive two child elements.

Secondly, the policy to remove the higher rate of child element for the first child in universal credit will apply only where the first child is born after 6 April 2017, aligning the treatment of families within universal credit to that in tax credits.

Thirdly, the incorporation of housing benefit for pensioners into pension credit will not begin until the completion of the universal credit timetable, in order to give greater certainty to local authorities. In addition, the regulations on treatment of surplus earnings and self-employed losses will now be implemented from April 2018.

The Government are making provision for the additional work to deliver these reforms and the other changes announced in summer budget 2015 by reshaping the next phase of universal credit roll-out. The Department will continue its successful roll-out of five jobcentres a month to June 2017, expanding to 30 in July 2017. Following a break over the summer the Department will scale up to 55 jobcentres per month between October and December 2017. From February 2018 this will increase to 65 per month, finishing with the final 57 jobcentres in September 2018.

The Government have also taken account of the comments by the NAO and PAC that the existing roll-out plan contains no contingency, and the risks to delivery that brings. For the first time since universal credit was announced in 2010, we will put specific contingency into the plan from September 2018 until June 2019. The managed migration of existing benefit claims will start in July 2019 and complete in March 2022.

Finally, in line with the Department's commitment to its delivery partners to give at least six months' notice of universal credit implementation plans in their areas, I can today announce the sites for the remainder of 2016-17. Following a planned break in January 2017, universal credit will be rolled out to Corby, Southampton, Newcastle East, Warrington and Poplar in February 2017. Following this, in March 2017, universal credit will be rolled out to Hinckley, Dalkeith, Newcastle West, Penicuik and City Tower.

In addition the Scottish sites rolling out in November 2016 are changing from Fort William, Invergordon, Portree, Wick and Dingwall to Port Glasgow, Greenock and Kirkintilloch.

I believe this plan is the best way to ensure secure delivery of the Government's welfare reform priorities, increasing employment outcomes and supporting claimants at an affordable cost for the taxpayer.

[HCWS96]

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