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**HOUSE OF COMMONS**  
**OFFICIAL REPORT**

**PARLIAMENTARY**  
**DEBATES**

**(HANSARD)**

**Monday 21 November 2016**

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# House of Commons

*Monday 21 November 2016*

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

## PRAYERS

[MR SPEAKER *in the Chair*]

**Mr Speaker:** I hope that colleagues in all parts of the House will want to join me in congratulating Andy Murray on winning the ATP world tour finals last night in London and on finishing the year as the world men's singles No. 1.

## Oral Answers to Questions

### WORK AND PENSIONS

*The Secretary of State was asked—*

#### Older Workers

1. **Henry Smith** (Crawley) (Con): What steps the Government are taking to give older workers the support they need to find or stay in work. [907331]

7. **Pauline Latham** (Mid Derbyshire) (Con): What steps the Government are taking to give older workers the support they need to find or stay in work. [907337]

**The Secretary of State for Work and Pensions (Damian Green):** May I, on behalf of the Government, echo the thoughts about Andy Murray? He is a great Scotsman who has made a great contribution.

There are more older people in employment than ever before, but we know that there is more to do. We recently appointed Andy Briggs, chief executive of Aviva UK, as business champion for older workers to promote the benefits they bring to employers.

**Henry Smith:** I am grateful to my right hon. Friend for that answer. What more are the Government doing to build on the fuller working lives strategy that they launched in 2014?

**Damian Green:** My hon. Friend is right to point out the importance of the fuller working lives strategy. We will be publishing a new strategy in the new year to build on the success of the fuller working lives strategy, and that will set out its future direction. I am particularly keen that it should be led by employers, because I think that employers are the best people to persuade other employers of the benefits of employing older workers. That is true for the employers themselves and for individuals, and it is particularly true for the public sector.

**Pauline Latham:** Many older workers have caring responsibilities, which can make it hard for them to remain in work or even to return to work. What is the Secretary of State doing to encourage employers to work responsibly with those very valuable employees?

**Damian Green:** I agree with my hon. Friend that those employees are often particularly responsible and have particular needs, if they have caring responsibilities. That is why the Government recognise the benefits of

flexible working. We extended the right of workers to request flexible working from June 2014. We have also introduced older claimant champions in jobcentres, and we are working with employers to help to highlight the benefits of employing older workers. Aviva, which I have mentioned in the context of Andy Briggs, is launching a new pilot scheme this Friday specifically to support carers. I very much hope that other companies will follow its example.

**Stephen Timms** (East Ham) (Lab): A year ago, Ministers committed to publishing an annual report on progress towards full employment, for the benefit of older workers and others. Does that commitment still stand, and if it does, when will the first of those annual reports be published?

**Damian Green:** Yes, it does. We will be publishing one next year, and I am happy to report in the interim to the right hon. Gentleman that there are more older people in employment than ever before. There are 9.8 million workers aged 50-plus in the UK. That is an increase of 1.5 million over the last five years, and I think that that is one of the strengths of our labour market.

**Fiona Mactaggart** (Slough) (Lab): But is it not true that there has been a relative decline in the proportion of older women in employment? Is the reason for that just the increase in the pension age, or is it that the Government are not providing the support for carers and the other things that enable older women to work?

**Damian Green:** I am afraid I cannot agree with the right hon. Lady on that. Currently, there are 4.05 million women aged 50 to 64 in employment. That compares with just under 3.5 million five years ago. As a percentage, it has gone up from below 60% to more than 65%. The benefits of work for older people are being applied to women as well, and that, of course, gives them much more control over their own lives.

**Louise Haigh** (Sheffield, Heeley) (Lab): On the question about carers, it is now seven months since the minimum wage was increased, but the income threshold for carer's allowance has not risen in line with the minimum wage. Will the Secretary of State act to raise it by just £5 a week to ensure that carers are not forced to cut their hours because they are caught in this loophole?

**Mr Speaker:** Notably in relation to older workers.

**Damian Green:** Indeed. Carer's allowance applies to people other than older workers, as you will be aware, Mr Speaker. The hon. Lady will also be aware that carer's allowance was increased significantly at the most recent announcement. We keep all benefits under review.

**Mr Philip Hollobone** (Kettering) (Con): Older employees bring many benefits to employers, including turning up on time, taking pride in their appearance and passing on a wealth of life experience to their younger colleagues. We have national recognition schemes for innovation, technology and exports. Has the Secretary of State thought of introducing a national recognition scheme for those employers who employ a large number of older workers?

**Damian Green:** As so often, my hon. Friend makes an innovative and good point. We work with employers to see what the best form of recognition is for employers who are particularly good at ensuring that older workers can carry on in the workforce, but I will certainly consider his suggestion.

### Self-employment

2. **Bridget Phillipson** (Houghton and Sunderland South) (Lab): What recent assessment he has made of trends in the level of self-employment. [907332]

**The Minister for Employment (Damian Hinds):** Many people aspire to be their own boss. Although the bulk of the growth in employment in recent years has been in employment, there are now 4.7 million self-employed people in the UK labour market, accounting for approximately 15% of everyone in work.

**Bridget Phillipson:** I am grateful to the Minister for his answer, but notwithstanding what he has said there is a growing issue of bogus self-employment. Trade unions such as the GMB have been at the forefront of exposing such practices, so will he commit to working with trade unions as part of the ongoing Taylor review?

**Damian Hinds:** Of course, what the hon. Lady refers to does not apply to the great majority of people in self-employment, but some concerns have been expressed. The growth of atypical employment was behind the Prime Minister quite rightly saying that there would be a proper review under Matthew Taylor. That review will look at a whole range of things, as its terms of reference are quite broad: rights, responsibilities, representation, training, representation of under-represented groups and so on.

19. [907349] **John Howell** (Henley) (Con): I am glad we are doing so much to help the self-employed get into business, but so many of them are on the legacy system for support rather than universal credit. What are we doing for those people?

**Damian Hinds:** My hon. Friend makes a very good point. We are launching a test—face-to-face and on a voluntary basis, from Jobcentre Plus work coaches—for self-employed people currently in receipt of tax credits. A range of support material is also available at gov.uk.

**Margaret Greenwood** (Wirral West) (Lab): Ordering presents online is now a normal part of Christmas for many people, but there have been disturbing reports recently of delivery drivers who are classed as self-employed working dangerously long hours for less than the national living wage. Those workers make a vital contribution to the functioning of the digital economy. Will the Minister commit to meeting Labour's five tests for social security for the self-employed?

**Damian Hinds:** I join the hon. Lady in recognising the necessity of looking at these issues. National living wage enforcement is very important. That is why we have raised the budget for it, as well raising the maximum penalty. As for the exact definition of self-employment, she will know that there are variations in definition for tax purposes and employment law purposes. The Matthew Taylor review is looking at precisely these issues to

make sure that the appropriate protections are in place while enabling more and more people to avail themselves of the opportunities in the new economy.

**Sir Desmond Swayne** (New Forest West) (Con): What is the Minister doing to help disabled people into self-employment?

**Damian Hinds:** My right hon. Friend makes a very good point. We know that many more disabled people want to get into work, and one route is through self-employment. I am pleased to be able to say that more than a fifth of the participants in the new enterprise allowance scheme are people with a declared disability, but there is a great deal more we can do.

### Disabled People: Recruitment and Retention

3. **David Mackintosh** (Northampton South) (Con): What steps the Government are taking to ensure that employers are supported in recruiting and retaining disabled people. [907333]

15. **Justin Tomlinson** (North Swindon) (Con): What steps the Government are taking to ensure that employers are supported in recruiting and retaining disabled people. [907345]

18. **Sir David Amess** (Southend West) (Con): What steps the Government are taking to ensure that employers are supported in recruiting and retaining disabled people. [907348]

**The Minister for Disabled People, Health and Work (Penny Mordaunt):** We already support employers through the new Disability Confident scheme, Access to Work and the Fit for Work service. Other measures are planned. The Green Paper consultation will provide further insight into how we can support employers and their disabled employees.

**David Mackintosh:** What advice can my hon. Friend offer to people such as my constituent Jehanzaib Sabih, who is deaf, so struggles to speak on the telephone, worked hard to obtain a university degree and yet is really struggling to find employment in the financial sector?

**Penny Mordaunt:** A lot of our bespoke expertise lies in the partner organisations we work with. If my hon. Friend contacts Sarah Holtham, who is the work coach at the Northampton jobcentre, she will facilitate a meeting with Deafconnect for him and his constituent. It also does a huge amount of work getting placements in the financial services sector, in particular with Nationwide, whose headquarters are in his constituency.

**Justin Tomlinson:** Following numerous successful Disability Confident events, we launched the small employer offer directly to engage, encourage and signpost new employers to take advantage of this often overlooked wealth of talent. Will the Minister update the House on the progress of this vital pilot?

**Penny Mordaunt:** As part of the small employer offer, we will introduce over 100 employment advisers to small employers, and the feedback we have had is that that is very welcome—in particular, for organisations that do not have their own human resources departments.

**Sir David Amess:** Recalling the very happy days when my hon. Friend was training for her diving competition in Southend, will she join me in congratulating Southend Adult Community College and Poundland on leading the way in employing disabled people in Southend?

**Penny Mordaunt:** I am familiar not only with the diving boards at Southend but with that excellent college, which has done many things well, including understanding that the built environment has a huge, positive role to play in ensuring that people with profound and multiple physical and learning disabilities can achieve their full potential.

**Ian C. Lucas (Wrexham) (Lab):** Very many individuals who previously received disability living allowance and who now receive personal independence payments are prevented from travelling to work—their Motability vehicles are being taken away because they do not qualify for the higher rate mobility component. This is a serious issue for people who are working, want to work and for whom the Government are making things more difficult. What is the Minister going to do about it?

**Penny Mordaunt:** I would point out that more people now have access to Motability than before, but I understand the problems that the hon. Gentleman raises, and we are looking at this in the Department.

**Dr Eilidh Whiteford (Banff and Buchan) (SNP):** May I put on record congratulations to Andy Murray on his magnificent achievement and also congratulate his brother, Jamie Murray, who will end the year as doubles world No. 1? What Scotland lacks in football prowess, we more than make up for in tennis, and we are immensely proud of both Murray brothers.

Last week, Members on both sides of the House made it clear to Ministers that cutting employment and support allowance for those who are in the work-related activity group by nearly £30 a week, with corresponding cuts to universal credit, is not acceptable when the Government are still consulting on their Green Paper on closing the disability employment gap and do not have adequate support in place. Has the Minister discussed the outcome of last week's debate with the Chancellor ahead of the autumn statement and impressed on him the need to postpone these punitive cuts?

**Penny Mordaunt:** I point out to the hon. Lady that the support that needs to be in place for those members of WRAG will be in place, and I gave the detail of exactly when that would be in place—before new claims come online—but I must stress that, as well as enabling people to endure and cope with such situations and the associated costs of living, we have an obligation to help them to get out of those situations. I have given assurances to the House that we will do both.

**Dr Whiteford:** The loss of the limited capability for work element of universal credit will mean that thousands of working disabled people will be about £1,500 a year worse off. Does the Minister think that slashing the incomes of working disabled people sends the right message about the Government's commitment to those who are just about managing?

**Penny Mordaunt:** We are spending more money on disability benefits, and we are doing more in terms of support, so I do not recognise the position that the hon. Lady outlines.

23. [907354] **Luke Hall (Thornbury and Yate) (Con):** The evidence is clear that work can be good for people's health and particularly their mental health. Does my hon. Friend agree that the Government should be working with GPs and healthcare professionals to support people with mental health issues to stay in work or to get back into work as soon as possible after leaving employment?

**Penny Mordaunt:** Yes, I do, which is why we have brought forward a Green Paper, and we will be consulting on it until February. In the meantime, where we can make progress and foster the local connections and relationships between employment support and healthcare professionals and others those individuals will need support from, we will do so, and the flexible support fund, which goes live in December, will do that.

**Debbie Abrahams (Oldham East and Saddleworth) (Lab):** On behalf of Labour, I offer my congratulations to Andy Murray.

The prospect of a further £1,500-a-year cut in support to sick and disabled people found not fit for work, on top of the previous £28 billion of cuts, fills many with dread. Why is the Secretary of State touting the propaganda that the cut will incentivise disabled people to find work, when his Department's own research says the opposite? Will he listen to MPs on both sides of the House who unanimously rejected his policy last Thursday, and stop the cut in the autumn statement?

**Penny Mordaunt:** As I pointed out at length, we will mitigate the financial cut to the WRAG group through several measures, including the flexible support fund, which will help with costs related directly to work, and through other measures to help with costs not directly related to getting into work. I have stated to the hon. Lady several times in the last week that we have to do both those things. We need to ensure someone's liquidity and financial resilience, but we must also ensure that they have other kinds of support. We will not pause that support when it commences in April.

### Women's State Pension Age

4. **Diana Johnson (Kingston upon Hull North) (Lab):** Whether his Department plans to take steps to introduce new transitional protection for women adversely affected by the acceleration of increases in the state pension age. [907334]

5. **Carolyn Harris (Swansea East) (Lab):** Whether his Department plans to take steps to introduce new transitional protection for women adversely affected by the acceleration of increases in the state pension age. [907335]

11. **Tracy Brabin (Batley and Spen) (Lab):** Whether his Department plans to take steps to introduce new transitional protection for women adversely affected by the acceleration of increases in the state pension age. [907341]

**The Parliamentary Under-Secretary of State for Pensions (Richard Harrington):** The Government will not be introducing further transitional protection beyond the £1.1 billion already in place. Going any further could not be justified, given that the underlying imperative must be to focus public resources on those most in need.

**Diana Johnson:** That is a very disappointing response. There are 10,000 WASPI women in Hull, and with 4,100 names, Hull's was the largest WASPI petition presented to the House last month. Labour has suggested changes to pension credit that could be financed by clawing back handouts to the wealthiest in order to help these women. Is it not about time that the Minister understood that these WASPI women will not go away until justice is done and they get a fair deal?

**Richard Harrington:** As the hon. Lady has mentioned, Labour proposed using pension credit as a transition mechanism for helping these women. This was discussed extensively during our debates on the Pensions Act 2011 as it went through Parliament, and it was decided that £1.1 billion would instead be used as transitional relief.

**Carolyn Harris:** It is quite obvious from the Minister's response that he is fed up with these questions, but I will keep asking them so long as I have women, such as my constituent Gillian Purcell, coming to me and saying, "I'm 60. I've worked all my life, but my body is telling me I can't do it any more without a pension". When will the Government do the honourable thing and start looking after the WASPI women?

**Richard Harrington:** The cost of reversing the changes varies depending on whom one asks. The different political groups have come up with different amounts, varying between £7 billion and £30 billion, and that is quite apart from the substantial practical problems, such as risk of legal challenge, deliverability and all the problems associated with such options.

**Tracy Brabin:** I recently spoke to a constituent working in a care home who was incredibly distressed at the thought of having to work another seven years in an increasingly physically demanding job, especially as she had made retirement plans to look after her daughter's children so that her daughter could go back to work. What assessment has the Department made of the implications not only for the women affected but for their families too?

**Richard Harrington:** As the hon. Lady implies, the Department has considered this matter long and hard. The current average age of exit from the labour market for women is 63.1 years, which is well above the previous women's state pension age of 60.

**Mr Peter Bone (Wellingborough) (Con):** I just want to make it clear that it is not just on the Opposition Benches that there are concerns about this matter. Of course we do not know what the autumn statement will say on Wednesday, but we ought at least to keep options open, because the current state of affairs is not very satisfactory.

**Richard Harrington:** As my hon. Friend knows, the public finances are very complicated, and I know that he intends to wait until Wednesday to hear what the Chancellor has to say, but this matter has been looked at long and hard and transitional funds of more than £1.1 billion have been allocated. The change to the state pension age was discussed and enacted in 1995. Since then, there have been further Acts and all this has been extensively discussed.

**Andrew Bridgen (North West Leicestershire) (Con):** I understand that reverting to the 1995 state pension timetable would cost something in the region of £39 billion. Does the Minister agree that it is easy to criticise the Government over this policy, but more difficult to explain where the money would come from for any policy changes?

**Richard Harrington:** I thank my hon. Friend for that question, and I totally agree with him.

**Richard Graham (Gloucester) (Con):** Does my hon. Friend agree that the difficulty with Labour's proposal on pension credit is that it does not reflect what is actually sought by the WASPI campaign, which goes right back to the Pensions Act 1995? That would almost certainly be illegal—[*Interruption*—]—under the rules of fair progress for both sexes on pensions, and it would cost an absolute fortune?

**Richard Harrington:** I totally agree with my hon. Friend. I heard a Labour Member shouting, "Tell that to the destitute." Well, we have a very good benefits system in this country, and I am sure that those people who are destitute are very familiar with it.

**Alex Cunningham (Stockton North) (Lab):** The Minister has made it very clear that the Government will not act further to help those affected by the ill-managed change to people's pension age. Will he tell us whether he or the Secretary of State have had any discussions with the Chancellor ahead of the autumn statement about whether there might be additional help for those most affected?

**Richard Harrington:** As the hon. Gentleman knows, I can do no better than repeat that the transitional arrangements have taken place and that Government policy is very clear. I would not want him to think or believe that there will be any change on this.

**Alex Cunningham:** Clearly there have been no discussions with the Chancellor. In the Westminster Hall debate on the issue, we heard about many people who have been left destitute and are living in poverty as they care for elderly relatives who may be unwell, but not ill enough to qualify for employment and support allowance, and about many others who are in dire straits. The Government have no intention of doing anything to help them and they have rejected Labour's first-step proposal of extending pension credit to both women and men who are being denied their state pension for years to come. I ask the Minister to think again. Assuming that his hands are tied by the Chancellor and the Prime Minister, will he set up a dedicated proactive helpline for those affected so that they can access the social security benefits that the Minister says are sufficient to meet their needs?

**Richard Harrington:** As the hon. Gentleman is aware, there is a very good benefit system in this country and people in every area are well aware of how to access it. There are Jobcentre Plus offices and help available in every local area. If right hon. or hon. Members wish to write to me about individual constituents, as they do, I will be happy to refer them to the places in their local areas.

#### Autumn Statement

8. **Gavin Newlands** (Paisley and Renfrewshire North) (SNP): What discussions he has had with the Chancellor of the Exchequer on the potential effect of the autumn statement on his Department. [907338]

12. **Dr Philippa Whitford** (Central Ayrshire) (SNP): What discussions he has had with the Chancellor of the Exchequer on the potential effect of the autumn statement on his Department. [907342]

16. **Stuart Blair Donaldson** (West Aberdeenshire and Kincardine) (SNP): What discussions he has had with the Chancellor of the Exchequer on the potential effect of the autumn statement on his Department. [907346]

**The Secretary of State for Work and Pensions (Damian Green):** I am happy to confirm that I work closely with my right hon. Friend the Chancellor, and hon. Members will not be surprised to hear that I will not be pre-empting what he will be saying in his statement to the House on Wednesday.

**Gavin Newlands:** That is a shame. The Resolution Foundation has suggested that the best way to help the 6 million just-managing households would be to scrap the planned cuts to universal credit, including the reduction in work allowances that could see losses of up £2,800 for a working single parent. Does the Secretary of State agree that, on Wednesday, the Government need to move beyond the soundbites and reverse these cuts before low-income families pay the price?

**Damian Green:** No, I do not agree. The hon. Gentleman will be aware of the tremendous successes we have achieved in getting people into work. We have employment at historic high rates. Very specifically, because of the introduction of the living wage, the latest Office for National Statistics data show that the group whose pay is going up the most—more than 6% last year—are the lowest-paid workers. I think that that is the system working exactly as it should.

**Dr Whitford:** The Institute for Fiscal Studies has shown that with the fall in the pound since the Brexit vote, prices are being pushed up by about 2.6%. This means that there could be a rise in inflation that would coincide with this Government's benefit freeze, adding even more pressure on low-income families. Does not the Minister agree that in view of that situation, we should get rid of the benefit freeze in the autumn statement?

**Damian Green:** I am sure that we shall receive a list of bids from members of the Scottish National party. I repeat that it is not for me to pre-empt my right hon. Friend the Chancellor's autumn statement but, as I said

to the hon. Member for Paisley and Renfrewshire North (Gavin Newlands), the purpose of the various benefit changes—and, indeed, the whole benefits system—is to enable people to get into work so that they can not only earn more money, but take more control over their lives. In that respect, the system is working historically well. We have more people in work, more women in work, and fewer children growing up in workless households than ever before, and that is a huge achievement.

**Stuart Blair Donaldson:** Despite assurances from the Government that there would be no more austerity-driven benefit cuts, any family whose third or subsequent child is born after April 2017 will not qualify for child tax credit, which could mean a loss of more than £2,000 per child. Does the Secretary of State agree that to protect just-managing families, this repugnant measure must be abandoned on Wednesday?

**Damian Green:** As my right hon. Friend the Chancellor said at the weekend, the House has already voted for certain benefit cuts. We do not intend to make any new cuts in benefits during the current Parliament, but Parliament has decided on various measures, including the one to which the hon. Gentleman has referred, and we shall be implementing those measures.

**Stephen Crabb** (Preseli Pembrokeshire) (Con): A great many families who struggle to get by each month do not receive universal credit; indeed, they do not receive any welfare payments at all. We should not fall into the trap of defining this issue solely by the benefits system, and we should therefore not commit ourselves to reversing those cuts. Does my right hon. Friend agree, however, that there is a strong case for sitting down with the Chancellor and looking into what more we can do to help people on low incomes, and to support families who struggle to get by month after month?

**Damian Green:** My right hon. Friend is right to say that this is not purely about the payment of benefits; it is about a system that enables and helps people to get into work, or back into work, and to make progress once they are in work. As I am sure my right hon. Friend will have observed, that is the thrust of the work and health Green Paper, which is specifically designed for people with a disability or long-term health problem who have often have found it particularly difficult to find work in the past. We want to find new, innovative ways of helping those people so that they can enjoy the wider success of the modern labour market.

**Tom Pursglove** (Corby) (Con): Unemployment in Corby, in east Northamptonshire, has fallen by more than 50% since 2010. We have seen falls in youth unemployment, and record private investments that are coming on stream will bring thousands of new jobs. As well as ensuring that all the right support is being provided, will my right hon. Friend call on the Chancellor for more of the same when it comes to job opportunities?

**Damian Green:** I certainly will. I am delighted to hear that my hon. Friend's constituency is sharing so fully in the wider benefits of the more flexible, dynamic and innovative labour market that we have created over the past few years. I am sure he has found that for many of his constituents—along with other people throughout

the country—work is absolutely the best route out of poverty, and they are benefiting from what has been done in the past. I assure him that we will continue to take such action.

22. [907353] **Rachel Reeves** (Leeds West) (Lab): The Resolution Foundation has estimated that a single parent with one child under the age of four, working full time on a minimum wage, will be up to £3,600 a year worse off by 2020. Does the Secretary of State think that the changes in welfare policy are fair, or will he be urging the Chancellor to reverse the cuts in universal credit in this week's autumn statement?

**Damian Green:** I do think that the changes are fair. I also think that much of the problem with the various pieces of analysis that have been produced by a number of think-tanks is that they do not assess the effects of getting more people into work, or—I mentioned this earlier—ensuring that they make progress when they are in work. Both those actions help people's family incomes, which is, I think, the way to give them more long-term security and to ensure that they do not just get out of poverty, but stay out of poverty.

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): The Government's flagship universal credit programme has been in trouble almost since day one, which has undermined the important principle of always making work pay more than social security. Two and a half million people in low-paid work will be, on average, more than £2,000 a year worse off as a result of the Government's cuts in universal credit work allowances. How can the Secretary of State justify his mantra that work is the route out of poverty when, under this Government, there are 7 million working families in poverty and the cut in their support will make the position worse? Why will he not honour his pledge to make work pay and ensure that the cut is reversed in the autumn statement?

**Damian Green:** I do not agree with the hon. Lady's analysis of universal credit. The great thing about it is precisely that it does make work pay. We all remember the cliff edges that people were faced with: once they started to work more than 16 or 30 hours a week, they had to decide whether they would be better off in work or on benefits. That is a terrible choice to put before someone. The whole point of universal credit, which we are steadily rolling out, is that work always pays. People know that if they go into work, or if they work extra hours, they will always benefit from that. If she does not accept that, I am afraid that she and I fundamentally disagree about the fact that work is the best route out of poverty. She appears to be denying that fact.

### Universal Credit

9. **John Glen** (Salisbury) (Con): What progress his Department is making on the roll-out of universal credit. [907339]

**The Secretary of State for Work and Pensions (Damian Green):** Last week, we announced the remainder of the roll-out of universal credit full service through to September

2018. Universal credit is now being delivered in every jobcentre and local authority, with over 400,000 claimants now receiving it.

**John Glen:** I thank the Secretary of State for that reply. Given that one is more likely to be employed, to work more and to earn more on universal credit than on JSA, will he confirm, on the mechanics and progress of the roll-out, that the test-and-learn approach is enabling difficulties to be quickly identified and resolved so that the roll-out can be delivered smoothly in the next few months?

**Damian Green:** My hon. Friend is right to point out the technical aspects of the roll-out. We have always been clear that an undertaking of this size and scale would be bound to meet obstacles. That was precisely why we adopted the test-and-learn approach which, I am glad to report, has worked. We have listened to issues raised by our staff and officials, and by claimants and other stakeholders. We now have a solid foundation. Universal credit is delivered in every jobcentre and local authority area. As I said, 400,000 claimants are now receiving it and being supported to build a better future for themselves.

**Margaret Greenwood** (Wirral West) (Lab): The UN International Day for the Elimination of Violence against Women is on 25 November. Universal credit is normally paid to a single person within a couple, but that can cause major problems for women or men in an abusive relationship, and asking for split payments could exacerbate the difficulties for someone in that situation. Will the Secretary of State consider automatically splitting payments for each partner in a couple?

**Damian Green:** I suspect that automatically splitting payments would introduce many technical difficulties and cause more problems than it solves. In individual instances, it is possible to split the payments to deal with problems including that which the hon. Lady rightly identifies. However, automatically splitting payments would probably not be practical.

**Mr Speaker:** If the hon. Member for Boston and Skegness (Matt Warman) can overcome his natural shyness, we will hear him.

17. [907347] **Matt Warman** (Boston and Skegness) (Con): Vulnerable people in supported housing particularly stand to benefit from the roll-out of universal credit, if it is done in the right way. When I went to visit the Salvation Army housing association in Skegness, there was concern about whether support would be in place to ensure that people spend the money over which they now have control in the best way. What support will be available to ensure that we get that right?

**Damian Green:** I pay tribute to the Salvation Army for its work in my hon. Friend's constituency, in my constituency, where it has just celebrated its 125th anniversary, and throughout the country. We have developed a personal budgeting strategy to ensure that claimants have access to money advice in the transition to universal credit. A small minority might need alternative payment arrangements, which can be set up in various forms. Particularly in the housing

sphere, that is a necessary part of the flexibility that we have with universal credit, so that a small minority who may not be able to cope with the way in which it is normally delivered are helped.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): I am dealing with a universal credit case whereby a constituent has been left near-destitute. Following his application, the DWP has alleged that he is not a British citizen, despite the fact that he has an English birth certificate and other proof of his citizenship. Will the Minister meet me to discuss this case to help my constituent and to stop this happening to anyone else as universal credit is rolled out?

**Damian Green:** I am always happy to meet the hon. Lady to discuss individual cases. Alternatively, if she wants to write to me, I will ensure this is dealt with as quickly as possible.

### Frozen Benefits

10. **Mr Alistair Carmichael** (Orkney and Shetland) (LD): What steps the Government are taking to mitigate the effect of projected levels of inflation on the spending power of frozen benefits. [907340]

**The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes):** The Government are committed to the creation of jobs and making work pay. We know that work is the best route out of poverty, and that is why our welfare reforms are focused on supporting people into work, rather than leaving them to rely on benefits.

**Mr Carmichael:** It is interesting that that answer does not necessarily address the question that I asked.

Last week, the Institute for Fiscal Studies highlighted the impact that weaker sterling will have on the cost of many of the essentials for which welfare benefits pay—clothing and food. It estimates that inflation for those items could be 2.7% next year. These circumstances were neither known nor anticipated when the decision was made to freeze benefits, so should they not themselves be the catalyst for a review of the decision?

**Caroline Nokes:** The right hon. Gentleman will be aware that inflation was in fact down last month. What is really important is that we support people who can work into jobs, and into better jobs—that is the whole premise behind universal credit. We know that getting people into work lifts them out of poverty. Our reforms include increasing the national living wage to £9 an hour by 2020, cutting income tax for more than 30 million people and, of course, the roll-out of universal credit.

### Jobcentre Plus and Food Banks

13. **Kerry McCarthy** (Bristol East) (Lab): What assessment his Department has made of the potential merits of improving co-operation between Jobcentre Plus and food banks. [907343]

**The Minister for Employment (Damian Hinds):** Jobcentre Plus district managers have discretion to work with food banks in their areas where those food banks are

willing to work with them. This is part of the wider Jobcentre Plus outreach programme with community organisations.

**Kerry McCarthy:** In just six months the Trussell Trust has provided more than 2,000 children in Bristol with emergency food parcels, and east Bristol food bank has had to open another outlet in Fishponds. We know that changes to benefits or delays in payments account for nearly half of those cases, so will the Minister agree to the Trussell Trust's simple request that a Jobcentre Plus hotline for food bank volunteers is provided?

**Damian Hinds:** First, I should say that 90% of out-of-work benefits are paid on time; of course, we always strive to make that better. On the question of whether the Jobcentre Plus network is willing to work with food banks, as I said, there is discretion locally to do that when it makes sense and if the food bank is happy to do so. There are plenty of examples of that happening around the country in terms of both signposting from Jobcentre Plus and work coaches going to food banks.

### Personal Independence Payments

14. **Jeff Smith** (Manchester, Withington) (Lab): What steps his Department is taking to ensure that personal independence payment assessments are undertaken fairly and appropriately. [907344]

**The Minister for Disabled People, Health and Work (Penny Mordaunt):** Our policy is designed by service-user panels, provision is strictly monitored and measured by independent audit, and the provider is held to account through our contract with it.

**Jeff Smith:** Citizens Advice and the mental health charity Mind told the Public Accounts Committee in March that private contractor assessors were comprehensively failing claimants with mental health issues, so what progress has been made since in the recruitment of registered mental health nurses by healthcare assessment providers to ensure that claimants with mental health issues get the support they need?

**Penny Mordaunt:** Since then we have introduced a number of new measures, including improved training and additional recruitment. We are also monitoring to ensure those doing assessments are referring to mental health services if they feel that that is required.

**Scott Mann** (North Cornwall) (Con): Fourteen-year old Olivia in North Cornwall is the primary carer for her mother, who has multiple sclerosis. PIP assessments create uncertainty for Olivia; no one else in her household is able to work or to care for her mother. Will my hon. Friend applaud young carers such as Olivia? In the light of the DWP's proposed end to reassessment for people with long-term illnesses, will she consider extending this to people who rely on children to care for them until such time as those children have finished further education?

**Penny Mordaunt:** I certainly pay tribute to Olivia and the thousands like her who do a physically and emotionally demanding job for their loved ones. We recognise the principle. We have made changes to ESA reassessments and the Green Paper affords us the opportunity to look

at how that principle could be applied to PIP. It might be to my hon. Friend's constituent's advantage to have further PIP assessments because her needs might increase, but there is an opportunity to have a much more streamlined process, which I hope the Green Paper will deliver.

**Helen Jones** (Warrington North) (Lab): Does the Minister not realise how wildly wrong some of these assessments can be? I had a constituent with cerebral palsy who was told that he would get no mobility component with his personal independence payment, meaning that he risked losing his car and therefore his ability to work. Are any financial sanctions imposed on the contractor for getting such assessments so wildly wrong and hence threatening people's jobs?

**Penny Mordaunt**: I think the hon. Lady's question related to PIP. We have also introduced other ways in which we can measure a contractor's performance, including the use of clinical data. Whether in relation to PIP or to ESA, we need to ensure that the evidence needed to make these judgments is submitted early in the process. We are doing some work to ensure that that happens, and it is improving things considerably.

#### Supported Housing Sector

20. **Daniel Zeichner** (Cambridge) (Lab): What plans his Department has to help ensure long-term, sustainable and predictable funding for the supported housing sector. [907350]

**The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes)**: In his written ministerial statement to the House of Commons on 15 September, the Secretary of State confirmed that from 2019-20 we will be introducing a new funding model for supported housing. I can also confirm that the Department for Work and Pensions, along with the Department for Communities and Local Government, will today publish a consultation document to develop the details that will underpin the new funding model, and the evidence review of supported housing in Great Britain.

**Daniel Zeichner**: One in five people affected by severe mental illness rely on supported housing. What discussions has the Minister had with the Department of Health about the effect that these policy changes have had on those who suffer from a mental illness?

**Caroline Nokes**: Colleagues from the DCLG and I have had extensive discussions with the supported housing sector since 15 September, and those conversations will continue now that the consultation document has been published.

#### Workplace Pension

24. **Mike Freer** (Finchley and Golders Green) (Con): What steps the Government are taking to ensure that people have the opportunity to save into a reliable workplace pension. [907355]

**The Parliamentary Under-Secretary of State for Pensions (Richard Harrington)**: Automatic enrolment will give about 11 million people the opportunity to save into a workplace pension scheme, all of which must meet

qualifying criteria and minimum requirements. I am pleased to say that just under 7 million people have already been enrolled by more than 293,000 employers.

**Mike Freer**: It is welcome that more people are joining pension schemes, but the Pensions Regulator issued 3,700 penalty notices in the quarter to September, up from 861. Does that perhaps suggest that this process is becoming a bit too cumbersome for small businesses?

**Richard Harrington**: The vast majority of small employers are meeting their automatic enrolment duties on time and without the need for any enforcement action. My hon. Friend is absolutely right to say that the regulator has issued more fixed penalty notices this quarter, but this is proportionate to the number of employers now implementing automatic enrolment.

#### Topical Questions

T1. [907356] **Mr Ranil Jayawardena** (North East Hampshire) (Con): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Work and Pensions (Damian Green)**: Since my appointment as Secretary of State, I have been determined to look at the benefits processes to ensure that they are working in a fair and proper way. As part of that ongoing work, I have announced an extension to the groups that can access hardship payments immediately following a sanction. Those groups now include people with a mental health condition and homeless people. This change will help to ensure that sanctions do not discourage those vulnerable groups from engaging fully with the welfare system, and that we have a system that is fair, that protects the most vulnerable and that supports people into work.

**Mr Jayawardena**: I welcome what my right hon. Friend has said to the House. The new figures from the Office for National Statistics show an increase of 590,000 disabled people in employment over the past three years, and I am particularly pleased that the employment rates for disabled people in my local authority areas of Hart and of Basingstoke and Deane are 16.3% and 14% above the national average. Will my right hon. Friend join me in welcoming those figures? Can he also assure me that this Government will commit to building on this success by continuing to reduce the disability employment gap?

**Damian Green**: I am delighted to hear about the figures in my hon. Friend's area, which reflect the national move that has narrowed the disability employment gap by 2.3% over the past year. There is an enormous amount still to do, which is why we produced the joint Green Paper with the Department of Health. It is a central task for this Department over the next three years, and we will pursue it with as much vigour as we can.

T5. [907360] **Yvonne Fovargue** (Makerfield) (Lab): New PIP criteria have meant a reduction in the unaided walking criterion to qualify for the Motability scheme from 50 metres to 20 metres. Three of my constituents originally failed under the new criteria and were threatened with the removal of their car if they could

not pay for it themselves. Like 60% of appellants, they won on appeal. Will the Minister consider maintaining Motability payments during the appeal process and, more importantly, reinstating the 20-metres criterion?

**The Minister for Disabled People, Health and Work (Penny Mordaunt):** That particular criterion, of which I am very aware, is obviously not the sole criterion—many other factors are taken into account. I wish to do more on Motability, and we are looking closely at the whole area.

T2. [907357] **Craig Williams** (Cardiff North) (Con): I continue to work with small businesses across my constituency while auto-enrolment is rolled out. I was heartened by last week's Institute for Fiscal Studies report, which showed that that 22 to 29-year-olds in particular have seen a massive boost in pension coverage. What are the Government doing to ensure that everyone in my constituency and across the United Kingdom has the opportunity of saving for a good-quality workplace pension?

**The Parliamentary Under-Secretary of State for Pensions (Richard Harrington):** I can reiterate the fact that plans to expand auto-enrolment are happening, and hundreds of thousands of people are signing up, which is a significant improvement. As for the self-employed and other people who are not in the scheme, that is just sort of thing that we should be looking at in our 2017 review of automatic enrolment.

T6. [907361] **Daniel Zeichner** (Cambridge) (Lab): Given that the Department promised to increase the number of people supported by the Access to Work programme, will the Minister tell us why fewer people are now in receipt of Access to Work than in the last year of the previous Labour Government?

**Penny Mordaunt:** I will happily write to the hon. Gentleman with the figures, but I do not recognise what he says. We have actually expanded such schemes, and the Green Paper asks what more we can do. We want to ensure that everyone who wants to get into work has the necessary equipment and support to do so.

T4. [907359] **Mr Nigel Evans** (Ribble Valley) (Con): These days, many more people seem to be working until they are much older, and few things are more depressing than such people retiring after having worked and put into their private pensions and then getting hammered with taxation until they drop. Is the Department in discussions with the Chancellor about imaginative ways of rewarding people who have worked all their lives and have just done the right thing?

**Richard Harrington:** I sincerely hope that my hon. Friend does not work until he drops, but I take his main point that people are retiring older. As part of the policy of continually reducing taxation on people, I am sure that the Treasury will be looking at the matter in future. With pension freedoms and the tax-free element that pensioners enjoy, the good news is that there is much more scope for pensioners to do the kind of thing he mentions.

**Mr Speaker:** I call Kelvin Hopkins. Not here.

**Dan Jarvis** (Barnsley Central) (Lab): The IFS projects that child poverty will go up by 50% over the course of this Parliament. Why is that?

**Damian Green:** The IFS's projections are for the IFS to explain, but I can give the hon. Gentleman the facts: the proportion of people living in relative poverty is near its lowest level for more than 30 years; and, since 2010, 300,000 fewer people, 100,000 fewer working-age adults, and 100,000 fewer children are in poverty. The whole House should welcome those figures.

T7. [907362] **Gordon Henderson** (Sittingbourne and Sheppey) (Con): What are the Government doing to ensure that there is a whole-system approach to viewing work as a health outcome?

**Penny Mordaunt:** I point my hon. Friend towards the joint Department of Health and DWP Green Paper that we have just published. It represents a key opportunity. If we want to, it is early enough in this Parliament to reform things such as the work capability assessment to ensure that support—whether from our services or from healthcare—gets to the people who need it.

**Alison Thewliss** (Glasgow Central) (SNP): By Wednesday's autumn statement, it will be 505 days since the Government first announced the two-child policy and the rape clause in the summer Budget 2015. The Resolution Foundation estimates that that policy will put 200,000 children into poverty by 2020. The Government still cannot tell us how it will actually work, and there is a measly 38-day consultation in which the public can respond. When will the Government finally admit that the rape clause and the two-child policy are completely unworkable and scrap the policy?

**The Minister for Employment (Damian Hinds):** Difficult decisions had to be made in welfare reform, and the vast majority of families with children have two children or fewer. This is one decision that had to be made, and it applies only to new cases and will not take money away from those already in receipt of help. On the exemptions that the hon. Lady mentions, these are some of the most difficult and sensitive topics. It is right that we have a full consultation and that we work closely with experts within the sector to ensure that we get the process exactly right.

T9. [907364] **Heidi Allen** (South Cambridgeshire) (Con): I was very pleased to hear last week from the Minister for Disabled People that she really understands the extra cost that people face in the employment and support allowance work-related activity group. She talked a lot about liquidity. She gave a reassurance to my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) that the people who would no longer receive the extra ESA WRAG benefit would be compensated financially in other ways. Will she clarify that?

**Penny Mordaunt:** Yes, I would be very happy to give those reassurances. In addition to discretionary payments that can be made through the work coach with the flexible support fund—[*Interruption.*] Yes, it has always been the case. Those payments are in relation to the costs that people incur from getting into work. As for those other costs that are not directly related to getting into work, we are looking at how we can reduce those outgoings, and there are a number of other national

and locally administered schemes that would mitigate those costs. I am very clear that we have to do both things. We have to ensure that someone can endure and cope with the situation in which they find themselves, but we must also bring forward that support in April to enable them to get out of a situation.

**Kate Green** (Stretford and Urmston) (Lab): With around \$4 billion of child support debts still outstanding and DWP's own figures to March this year showing that 90,000 non-resident parents have not paid child support in full, will the Secretary of State tell the House where extra resources can be found to ensure that those parents who are due child maintenance for the care of their children receive it in full and on time?

**The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes)**: We encourage paying parents to pay their maintenance on time and in full and to avoid the accrual of arrears. However, if a paying parent fails to pay on time, we aim to take immediate action to recover the debt and re-establish compliance. We have a range of strong enforcement powers, including seizing property and commitment to prison. We attempt to re-establish compliance initially through a one-off card payment, or negotiated agreement, deduction from the paying parent's earnings, or deduction directly from an individual's bank account. We are currently in the process of responding to a consultation run earlier this year on using powers to deduct from joint bank accounts.

T10. [907365] **Mr Steve Baker** (Wycombe) (Con): Will the Minister allow alternative payment arrangements for universal credit claimants with complex needs to begin right at the start of their tenancies, and will the Government take steps to ensure that such arrangements are delivered swiftly?

**Caroline Nokes**: The DWP has long recognised the challenges that some claimants, particularly those with multiple or complex needs, may face in the transition to universal credit. That is why we have developed the personal budgeting strategy to ensure that claimants have access to suitable financial products and money advice. For the small minority who need them, alternative payment arrangements can be set up. All APA cases are dealt with urgently and the majority of cases are processed within the first assessment period and within a five-day average clearance time.

**Greg Mulholland** (Leeds North West) (LD): It was a long overdue victory for common sense that those people with chronic illnesses and long-term conditions will no longer be subject to the work capability assessment, but what about our brave veterans in receipt of war pensions? Why are they still subject to work capability assessments?

**Penny Mordaunt**: The hon. Gentleman makes a very good point. It is one that I, as a former Armed Forces Minister, have discussed with the Department. That is why we have specific questions related to our armed forces in the Green Paper. It is a good idea.

**Kevin Hollinrake** (Thirsk and Malton) (Con): The most challenging gap that we need to bridge in the disability employment statistics is the one relating to people with learning difficulties. In answer to a written

question, the civil service was unable to break down the stats to show how many people with learning disabilities were employed. Does the Minister agree that those stats are vital to help us to provide policies and support for people in these circumstances?

**Penny Mordaunt**: I agree absolutely, which is why we are doing that at as local a level as possible. On 5 December we are holding a drop-in session to which every Member of this House will be invited. As well as giving them information about how they can run local events to encourage participation in the Green Paper consultation, we will be giving them some local data so that they can get that local focus on the people we are currently trying to help and the unmet need.

**Neil Gray** (Airdrie and Shotts) (SNP): Why does the Secretary of State think that five of his colleagues voted for my motion last week calling on the Government to pause cuts to ESA and universal credit?

**Damian Green**: Hon. Members are entitled to vote in this House as they like. I am not sure that the Chief Whip would agree with me at all times, but it is a fact. I disagreed with the case that the hon. Gentleman made in that debate. As has been explored over the past hour in this Question Time, a balance clearly has to be struck between keeping the public finances in order and ensuring that our benefits system works as well as possible to help as many people as possible into work. That is what we have been doing successfully for many years now, and that is what we will continue to do.

**Peter Aldous** (Waveney) (Con): Universal credit was rolled out in Waveney on 25 May. I am sorry to report that at present it is not going well and many vulnerable people are finding themselves in difficult situations. Can the Secretary of State assure me and my constituents that everything is being done to address these technical issues as soon as possible so that universal credit can play the role for which it was intended?

**Damian Green**: I am always happy to talk about any technical issues that arise as we roll out this important benefit, and if my hon. Friend wishes to bring them to my attention in detail, I will happily talk to him about them.

**Diana Johnson** (Kingston upon Hull North) (Lab): Should not those people who were damaged in the contaminated blood scandal by the NHS be passported on to the new PIP regime if they are already in receipt of DLA?

**Penny Mordaunt**: I do not know whether this is an issue that the hon. Lady has raised before. I am sorry if I am not aware of the previous correspondence that she has had with the Department. I would be happy to meet her to discuss that.

**Justin Tomlinson** (North Swindon) (Con): PIP continues to lead the way in identifying and supporting those with mental health conditions to a significantly greater degree than DLA, so what more can be done to signpost the people identified to additional support provided by the NHS, charities or the Government pilot?

**Penny Mordaunt:** We have been trialling a number of measures—for example, the mental health trailblazers, which combines employment support advice with psychological support delivered through the NHS, and we are going to roll that out nationally.

**Helen Jones** (Warrington North) (Lab): Does the Secretary of State understand that the dismissive answers that the Under-Secretary of State for Pensions, the hon. Member for Watford (Richard Harrington), gave about the problems faced by WASPI women are a slap in the face to women who have worked all their lives and in many cases have retired to look after sick or elderly relatives, thus saving this country millions of pounds? It is time that Ministers recognised that those who have done the right thing ought to be looked at and their situation alleviated.

**Damian Green:** Since the original legislation was passed more than 20 years ago, and since the Pensions Act 2011, the Government committed £1.1 billion to lessen the impact of the changes for those affected. In the end, we have to address the issue that having the same pension age for men and women is fair, and that at a time when we are all living longer it is necessary, if we are to keep a credible pensions system going, for the pension age to go up gradually for both sexes. *[Interruption.]* I am sorry that many people in the Labour party do not seem to accept those basic facts of arithmetic, but they are basic facts and the mitigations that were put in place mean that no one has seen their pension age change by more than 18 months compared to the previous timetable—*[Interruption.]* For 81% of those women the increase will be no more than 12 months. Finally, for the hon. Member for Denton and Reddish (Andrew Gwynne) who is shouting from the Front Bench, other countries have done this faster than the UK. In nine European Union countries, including Germany, Denmark and the Netherlands, all of which run extremely

sophisticated welfare systems, the state pension age was 65 for women as far back as 2009, so the Labour party will have to accept these basic facts.

**Mr Speaker:** I was hoping there would be time for the remaining two questioners. There is not, but it will have to be found anyway.

**Tom Pursglove** (Corby) (Con): On Saturday evening, I met one of my constituents, who came to see me about PIP reassessments for those with deafness-related conditions. The question he wanted me to put to Ministers was whether, as part of the ongoing review of the reassessment process, they will look carefully at the situation relating to this group of individuals.

**Penny Mordaunt:** Yes, the Green Paper will afford us the opportunity to do that. Around certain disabilities, there are some very sensitive issues about how someone might need assistance provided—for example, they might prefer to use sign language, as opposed to assistive technology—which we also need to take into account, and we will do that.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): I was recently contacted by a constituent who was asked to complete an evaluation form at the end of a PIP assessment and who alleges that the Atos healthcare professional who conducted the assessment stood over her and watched as she completed the paperwork. I am sure the Minister will share my alarm that people may feel menaced into giving favourable feedback. Will she agree to personally look into this as a matter of urgency?

**Penny Mordaunt:** If the hon. Lady can give me any more specifics about that, I would be very happy to look into it. In terms of the satisfaction reviews that are done, the satisfaction rating is high, and I do not think—*[Interruption.]* No, we need to give credit where credit is due. But if that kind of practice is going on, or if any Member of this House has evidence or further examples of it, I will be very happy to look into it.

## Independent Inquiry into Child Sexual Abuse

3.37 pm

**Lisa Nandy (Wigan) (Lab):** (*Urgent Question*): To ask the Home Secretary to make a statement on the leadership, staffing, budget and structure of the independent inquiry into child sexual abuse.

**The Parliamentary Under-Secretary of State for the Home Department (Sarah Newton):** The inquiry was set up to look at the extent to which institutions in England and Wales failed to protect children from sexual abuse. We know the terrible impact that abuse has on survivors, sometimes for many years.

As the House knows, following the resignation of the previous chair, my right hon. Friend the Home Secretary appointed as chair Professor Alexis Jay. She has a distinguished career in social work and a long-standing dedication to child protection. She led the independent inquiry into child sexual exploitation in Rotherham, where she scrutinised the work of social workers and proved her capability to uncover failings across institutions and professions. She is the right person to take this work forward.

Taking the work forward is vital for creating a sense of certainty for victims and survivors. The inquiry has set up 13 strands of investigation, and made 250 formal requests for information from over 120 institutions, with 164,000 documents having now been submitted. It has referred roughly 80 cases a week to the police. It has rolled out the truth project, providing survivors with the opportunity to tell the inquiry what has happened to them. More than 500 people have so far come forward.<sup>1</sup>

The inquiry has adequate resources to undertake its work, and we will support the inquiry with what it needs. The inquiry remains independent, which means it is not part of Government and is not run by a Government Department.

Professor Jay is mindful of the scale of the task and the need to move forward with pace. That is why she has instigated an internal review of the inquiry's approach to its investigations, exploring new ways to develop its investigative work, while remaining faithful to its terms of reference. She has made clear that, if any changes are proposed, the views of those affected will be sought.

We expect the outcome of this review soon. It is crucial that we now give the inquiry the space and support it needs to get on with its job—getting to the truth for victims and survivors—and I urge everyone in the House to do just that.

**Lisa Nandy:** I thank the Minister for that statement, but where is the Home Secretary, and why has nobody from the Government sought proactively to come to this House to provide reassurance about the serious events that have unfolded over the past week as this inquiry has unravelled in front of our eyes?

Has the Home Secretary met survivors groups since last Thursday? What steps has she taken to establish that the chair and the panel have the expertise and the working relationships for this to succeed? Has anybody from the Home Office investigated why so many lawyers have cited concerns about competency and leadership?

Does she expect further resignations? Has a new chief legal counsel been appointed? Is the former chief legal counsel, Ben Emmerson QC, still being paid, and if so, why? What action has the Home Office taken to establish that there was a disclosure of sexual assault, and is she satisfied that that disclosure was dealt with properly by the inquiry? Can she give me a personal assurance that the intelligence services are standing by the commitment to hand over all files and that that is not being obstructed? We heard about Professor Jay's internal review for the first time in August—where is it?

This is the second time in recent weeks that I have had to ask Ministers to come to the House and account for these failings. They have lost seven senior lawyers, three chairs and several survivors groups, and it is now impossible to see that this inquiry is still operating effectively. This may be the last chance that the Prime Minister and her Home Secretary have to rescue from collapse the inquiry that the Prime Minister set up. Will the Home Secretary now stop hiding behind the smokescreen of independence, recognise that she has responsibility for this inquiry's success, and get a grip on it?

**Sarah Newton:** I am absolutely delighted, as the Minister responsible for vulnerability, safeguarding and counter-extremism, to be here to answer this question. It is absolutely at the core of this Government's priorities to safeguard children in our country. The Home Secretary was in this House as recently as 17 October answering questions in detail. The Home Affairs Committee has asked detailed questions of the permanent secretary to the Home Office. The hon. Lady is really quite wrong in asserting that there is some sort of smokescreen and hiding behind independence. It is absolutely essential that this inquiry is an independent inquiry. The terms of reference of the inquiry were shaped with the voices and the opinions of the victims, and it is very important that this independence is maintained.

The hon. Lady asked a series of operational questions, all of which are for the chair and the leadership of the independent inquiry. It would be totally wrong for me to answer those questions here, because we would be intervening in the independence of the inquiry. I am confident, as are the Prime Minister and the Home Secretary, in the ability of Professor Jay to lead this inquiry. It is really important that we all get behind the inquiry so that it can get on and do its really important work in making sure that it gets to the truth and delivers for victims.

**Sir Edward Garnier (Harborough) (Con):** I do not for one moment undervalue the intentions of those who set up this inquiry and those who are working with it, albeit that it has had a very rocky road since it was begun. Nor do I underestimate for one moment the trauma felt by those who have been affected by child sex abuse. I have acted in a number of criminal cases in which I have seen with my own eyes the terrible consequences for adults of what happened to them as children. I want to ask my hon. Friend a question from a slightly different angle. I have a constituent who, since the early part of this century, has been left in a hideous, Kafkaesque limbo. He does not know whether he is an accused person or a witness. What is his status in relation to this inquiry? He, like the victims, needs to be told when this is all going to finish, both for him and for

1. [Official Report, 23 November 2016, Vol. 617, c. 2MC.]

the victims. Will my hon. Friend please make some inquiries of the inquiry to ensure that this man can either be prosecuted or set free?

**Sarah Newton:** I thank my right hon. and learned Friend for the customary thoughtfulness with which he asked his question and reflected on the importance of this inquiry. As he quite rightly points out, child sexual abuse can have a devastating impact not just on the victims, but on the people caught up in such inquiries. He referred to a particular case that is an operational matter for the police. While I can understand why he wants to bring this matter to a swift conclusion on his constituent's behalf, these are operational matters for the police, who, quite rightly, are independent of the Home Office.

**Ms Diane Abbott** (Hackney North and Stoke Newington) (Lab): This inquiry is on its fourth chair. Every time, Ministers have come to the House and asserted that the current chair is the right person to take the inquiry forward. Having said that for the fourth time, why do they expect the House, the public and, above all, the survivors to be reassured? As the Minister has said, this is of course an independent inquiry, particularly as to its conduct and findings, but that does not mean the Home Office can take no responsibility at all.

On the question of the Shirley Oaks survivors who were in the Lambeth children's home, I have heard the Minister say that she will not answer operational questions, but she will know their concern about having a social worker as the overall chair of the inquiry. They have said they will accept a vice-chair for their strand who is not a social worker. Have Ministers put that to Alexis Jay? Above all—I hope the Minister will not dismiss this as an operational question—the Shirley Oaks survivors want to know what Home Office involvement there was in the monitoring and supervision of the Lambeth children's home during the period when the historical child abuse occurred. Ministers cannot just let this inquiry run into the sand. The public expect better, this House expects better and the survivors expect better.

**Sarah Newton:** I absolutely assure the hon. Lady and every other Member in the House that we will absolutely not let this inquiry run into the sand. It is vital to the full protection of children in our country that we understand the failings of the past, seek remedies for the victims and use that intelligence to improve and have better safeguarding arrangements for children today.

The hon. Lady asked questions about operational details that she knows full well it would be completely inappropriate for me to answer. I can assure her that the chair of the independent inquiry regularly meets survivors groups, and I am sure that she will listen to the concerns raised by the Shirley Oaks Survivors Association. She is undertaking a review to make sure that the inquiry is properly focused to address the really serious concerns that are being raised.

**Michael Fabricant** (Lichfield) (Con): I appreciate that this is an independent inquiry, but my hon. Friend must understand that the victims groups have become upset and disturbed about the nature of the inquiry and how long it is going to take. Will she at least assure me that

the scope of the inquiry will not be reduced, and that whatever funds are required by the inquiry will be delivered by the Home Office?

**Sarah Newton:** I thank my hon. Friend for that comment. I quite understand that the victims, who have been abused, will feel disappointed at some of the issues that there have been with the inquiry. I quite understand that, but as he says, it is absolutely vital that the independence of the inquiry is maintained. The chair is meeting and engaging with the survivors organisations and individuals to make sure that the inquiry absolutely delivers on its terms of reference, which they themselves shaped. To go back to my response to the urgent question, the fact that 80 cases a week are being referred to the police and that over 500 people have come forward to participate in the truth project shows how valuable the inquiry already is to those victims.<sup>1</sup>

**Dr Eilidh Whiteford** (Banff and Buchan) (SNP): We all know that the inquiry has been dogged by setbacks and problems, so it is very disappointing to learn of further difficulties, namely the latest withdrawals and the concerns expressed by groups representing victims and survivors. I am sure that all right-minded people want the inquiry to succeed. We want it to meet its original purpose of investigating historical allegations of institutional child sexual abuse, and, wherever possible, we want, above all, justice for those people whose lives have been irreparably harmed by abuse. Yet, to do so we need to restore and secure confidence in the inquiry and its findings.

Notwithstanding the Minister's reluctance to address what she considers to be operational matters, when does she anticipate that a suitable legal counsel will be appointed to ensure that the facts are well established throughout the proceedings? Following the resignation of the previous chair in August, does the Minister know whether internal procedures for resolving complaints about staff and panel members have been established? Most importantly—this is categorially not an operational matter—what does she plan to do to restore trust in the proceedings for those survivors of sexual abuse and to regain their support?

**Sarah Newton:** I thank the hon. Lady for her series of questions. I will take her last point first. On confidence, there is a huge amount that we can do in this House, and that is to get behind the inquiry. It is open for business. It is worth getting some perspective. Although I am really disappointed that one victims group has decided not to engage with the inquiry at the current time, I am hopeful that it will re-engage in the future. We must remember that it is one group. The inquiry is open for business and getting on with its work.

The question about the legal counsel is for the chair and the leadership of the commission. It is their responsibility to make sure that they appoint the people necessary to undertake the task. I am sure that the chair understands the concerns raised by Members and victims organisations regarding making sure that she gets on with resolving the issues so that the very important work that the inquiry is doing can come to a swift and really good conclusion.

**James Berry** (Kingston and Surbiton) (Con): Does my hon. Friend agree that the role of the Home Secretary, or any Secretary of State, under the Inquiries Act 2005

1. [Official Report, 23 November 2016, Vol. 617, c. 3MC.]

[James Berry]

is to appoint the chair and the panel and to agree the terms of reference with that chair, and that for a Member to come to this House with an imperious and censorious list of questions, such as those we heard from the hon. Member for Wigan (Lisa Nandy), does not help the inquiry and totally fails to understand the law?

**Sarah Newton:** I thank my hon. Friend, who is a lawyer, for asking such an insightful question. It is very disappointing that Opposition Members are coming to the House and making such censorious claims when what we really need to do is get behind this independent inquiry so that it can do the job for victims and make sure that we all learn what more we can do to keep children in our country safe.

**Mr Chuka Umunna** (Streatham) (Lab): It is not just my constituents who are members of the largest survivors group, Shirley Oaks, whose more than 600 members have said that they no longer have confidence in the chair of the inquiry. White Flowers Alba, Minister and Clergy Sexual Abuse Survivors and lawyers representing numerous other survivors have also said that. On Friday, I was appalled that one response to Shirley Oaks' withdrawal of support was a suggestion that it should be compelled to provide to the inquiry the evidence that it has gathered. Its members are survivors of child abuse—they are not criminals. Millions has been spent, there has been no public cross-examination of witnesses yet, and the most senior lawyers are resigning month after month. Does that not reinforce the need for a change in leadership, which is within the purview of Home Office Ministers? What we need is a senior judge of High Court standing or above to lead this inquiry. Why do not the Government act?

**Sarah Newton:** I thank the hon. Gentleman for his question. He is an assiduous constituency MP and he is quite right to raise the concerns of the victims based in his constituency. The Prime Minister and the Home Secretary could not have made clearer their confidence in the chairman of the independent commission. It is really important that we carry on with the inquiry and that we let it get on with its vital job of getting to the truth and making sure that we learn the lessons to keep children in our country safe.

**Seema Kennedy** (South Ribble) (Con): Does my hon. Friend agree that if it is to have any degree of public confidence, no one should pre-empt the outcome of the inquiry?

**Sarah Newton:** My hon. Friend is quite right. We set up an independent inquiry so that it can get on with its work. It shaped the terms of reference with the victims themselves, and, as we have seen from my response to the urgent question, it is making good progress.

**Ann Clwyd** (Cynon Valley) (Lab): It is a bit rich for Conservative Members to call for patience, understanding and so on. Eighteen years ago in this House I had to bring business to a stop two nights running to get allegations about child abuse in my constituency put on the record. The Waterhouse inquiry was set up, and that took years. There have been subsequent inquiries, one after

another. One of the children in my constituency committed suicide before we heard any results from an inquiry. It is absolutely essential that the survivors of abuse have those results and have confidence in what is being done.

In north Wales, for example, it has taken all these years for Chief Superintendent Anglesea to be put on trial and to be sentenced for his involvement in child abuse in north Wales. It was good investigative journalism, not inquiries, that got to the root of his case. I appeal to the Minister: do not ask for patience from the Opposition. We have been patient long enough, and it is just not good enough.

**Sarah Newton:** I thank the right hon. Lady for her question, and I pay tribute to her for the work she has done in campaigning so assiduously for justice for her constituents. I reassure her and everyone who is here that those lessons have been learned from the past. The inquiry is an incredibly important part of what the Government are doing to learn lessons from the past and make sure that we are doing everything that we can to keep children in our country safe. As a result of people coming forward to the inquiry, as I said in my response to the urgent question, more than 80 referrals a week are being made to the police. Information and evidence gathered by the inquiry are being used to seek the prosecutions that absolutely need to be made, as the right hon. Lady described.<sup>1</sup>

**Peter Heaton-Jones** (North Devon) (Con): This inquiry is doing incredibly important work. Does the Minister agree that the most important aspect is that it is independent of Government? "Independent" is the first word of its title. Does she agree, therefore, that the best thing that Members on both sides of the House can do to support its work is to give it the space it needs to do that work independently?

**Sarah Newton:** I am grateful to my hon. Friend for absolutely hitting the nail on the head. As constituency MPs, we have all met victims of domestic abuse and violence and children who have been involved in child sexual exploitation, so we know how absolutely devastating this is. It is really important that we do everything we can to support those people and encourage them to come forward to the inquiry. Wherever the evidence takes us, we will seek those solutions and those prosecutions.

**Mr David Hanson** (Delyn) (Lab): It has taken 35 years for Gordon Anglesea to face trial at Mold Crown court, where he was convicted last month and sentenced to 12 years' imprisonment for historical child abuse offences. While recognising the inquiry's independence, will the Minister tell the House when the first evidence sessions in public are likely to be, so that my constituents and others can give their evidence of that level of abuse?

**Sarah Newton:** If the right hon. Gentleman or his constituents have any evidence whatever, they should go to the inquiry right now. We are not waiting for the end of the inquiry to take action, as I have said before; more than 80 cases are sent to the police every week so that action can be taken. It is really important that people engage with the inquiry and support their constituents in doing so, so that we can seek justice for the victims.<sup>2</sup>

1.[Official Report, 23 November 2016, Vol. 617, c. 3MC.]

2.[Official Report, 23 November 2016, Vol. 617, c. 4MC.]

**John Howell** (Henley) (Con): I would like to pick up on a point the Minister has already made. This inquiry plays a vital part in protecting vulnerable children for the present and for the future. Will she put it in the context of what else the Government are doing?

**Sarah Newton:** My hon. Friend is quite right. The inquiry is incredibly important, but is part of an overarching strategy. We want to do everything we possibly can to keep children in our country safe. We are seeing record levels of prosecutions and huge investment in supporting victims, making sure that we take apart the culture of secrecy and cover-up that contributed to the delays we have heard about from Opposition Members.

**Diana Johnson** (Kingston upon Hull North) (Lab): The inquiry was set up as a panel inquiry, then turned into a statutory inquiry. Was the biggest mistake not setting up a royal commission modelled on what is happening in Australia, which has had a royal commission for the past few years that is pursuing the issue very successfully and has the victims' confidence, as well as having their interests at its heart?

**Sarah Newton:** Royal commissions can be very important, but they tend to take a very long time. The Government's view was that an independent inquiry was the best way to learn the lessons and secure the justice that the victims were looking for.

**John Glen** (Salisbury) (Con): There was speculation over the weekend about the way an inquiry was taking place in Wiltshire. When events might have happened a long time ago, evidence is difficult to corroborate and high-profile figures are involved, there is always a significant risk that things might somehow just get left. Will the Minister assure the House that when victims give evidence, although that evidence might be difficult to corroborate and it might be about things that happened a long time ago, our chief constables and investigating officers up and down the country will go where the evidence takes them, as they should? Will she commit to ensuring that sufficient resources are available so that everyday policing is not affected when these serious matters happen in individual constabularies?

**Sarah Newton:** My hon. Friend makes a very powerful point. I can absolutely give him the assurance he is looking for—we must go where the evidence takes us. It can be very painful for people to revisit terrible things that happened in the past, but I encourage them, as I am sure he is doing, to come forward, go to the police and give that evidence.

The inquiry has been given the status of one of the most important police functions in our country. The police have the resources to support investigations into historical sexual abuse of children.

**Helen Hayes** (Dulwich and West Norwood) (Lab): On the Opposition Benches there is no question but that the inquiry is and must be independent. But this is a question of confidence, and confidence is not an operational matter. There seems to be an attempt to dismiss the Shirley Oaks Survivors Association as just one group of survivors. I can tell the Minister that that association represents 600 survivors of abuse. It has undertaken two years' worth of rigorous, detailed, exceptionally high quality research on behalf of survivors

and has very powerful evidence. I have raised concerns on the association's behalf, as have both my hon. Friend the Member for Streatham (Mr Umunna) and the Home Affairs Committee, but they have not been answered. I am afraid that it simply is not good enough for the Minister to demand our unswerving confidence when the legitimate questions we have raised have not been answered. I ask her once again: will she intervene to ensure that we can have the confidence in the inquiry that is necessary for it to do the job it needs to do on behalf of victims and survivors?

**Sarah Newton:** I absolutely want to put on the record and correct any doubt in the hon. Lady's mind that we take every victim's story extremely seriously. Every victim's voice must be heard. That is why we set up the inquiry. If I were to intervene, it would no longer be an independent inquiry. It is absolutely essential that it maintains its independence. Professor Jay has a long and established record. She did a really excellent job in Rotherham. If people were to speak to the victims in Rotherham, they would hear the confidence that they placed in her and what a really good job she did there. I would strongly encourage Opposition Members to go back to victims and their organisations and encourage them to re-engage with the independent inquiry and with its chairman, so that we can move forward.

**Mr Peter Bone** (Wellingborough) (Con): I congratulate the hon. Member for Wigan (Lisa Nandy) on being granted the urgent question, but I do not think that it has been the best question: there has been a lot of noise from the Opposition and not a lot of clarity from them. *[Interruption.]* As they are proving, Sir, at this very moment. Does the Minister agree that one of the most important things is that we look after potential child victims of abuse now? Is not the simplest thing that the Government could do to take responsibility for child victims of sexual abuse, especially those who were internally trafficked, away from the Department for Communities and Local Government and make it an independent responsibility of the Home Office, because too many children are re-trafficked into sexual abuse while under the DCLG's care?

**Sarah Newton:** I thank my hon. Friend for his helpful question. Bringing us right up to date with the incredibly important that we are doing to ensure that we keep children safe in our country, while addressing historical issues, is very important and it informs what we do now, but we leave no stone unturned in our determination to make sure that children are safe, including those children, as he rightly points out, who might be trafficked or who are victims of modern slavery. We constantly keep under review our care for those children.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): May I remind the Minister that the purpose of setting up this inquiry was to find out the truth and to allow the victims of child sexual abuse to get closure? To achieve that, they have to have confidence in the inquiry. If the inquiry alone cannot command the confidence of victims, the Government still has a role to play. She or the Home Secretary should be meeting the victims' groups. She should be hearing their concerns directly from them and seeking their remedies if the inquiry is to do the job for which we set it up in the first place.

**Sarah Newton:** We have absolute confidence in the inquiry. I respectfully urge everyone in the House today to get behind the inquiry to make sure that it works for victims. More than 500 victims have come forward, and that is leading to cases going forward for the police to take action. It is really important that we send out a strong and united message from the House that we all think that this independent inquiry is vitally important for victims and survivors and that we will all do our best to support the inquiry's work.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): Over a month ago, when I brought up with the Home Secretary in this place the loss of survivor testimonies by the Independent Inquiry into Child Sexual Abuse, she suggested that I engage with the inquiry in a slightly more positive manner and that I write to her about the incident. As I have yet to receive a response to the detailed letter that I subsequently sent, and as the Home Secretary is not here today, will the Minister update the House now on what investigation has since taken place into those lost testimonies?

**Sarah Newton:** I agree to make sure that the hon. Lady gets a response to her letter and the detailed concerns she raises.

**Christina Rees** (Neath) (Lab/Co-op): There has never been an official Welsh representative on the inquiry, despite intense lobbying by Welsh Government Ministers, the then Health Minister, Mark Drakeford, and the Social Services Minister, Gwenda Thomas. Considering that this is an England and Wales inquiry, will the Minister give an assurance that there are open lines of communication with the Welsh Government, so that devolved aspects can be appropriately discussed? Will she confirm that the interests of Welsh victims are adequately protected?

**Sarah Newton:** Of course, it is really important that people living in Wales, like those living all over our country, can have their voices heard. It is an independent inquiry, however, so I respectfully ask that the hon. Lady makes those representations to Professor Jay to make sure that she is satisfied that victims in Wales feel they are being listened to.

**Paula Sherriff** (Dewsbury) (Lab): For years, I worked supporting victims of sex abuse. It is absolutely clear to everyone in the House that the seemingly endless cover-ups, scandals and delays will be painful and traumatic for all the victims and survivors. How does the Minister intend to restore trust and integrity to the inquiry as soon as possible?

**Sarah Newton:** The hon. Lady draws on her work and personal experience. In working with victims, she made a huge contribution before she came to the House, and I

am sure that some of them look at what has happened and feel disappointed, but I can assure her that we are utterly committed to seeing the inquiry through and that we utterly support the chair, Professor Alexis Jay, who we believe is the person to see this through. I encourage the hon. Lady to speak to the victims in her constituency and assure them that this is a top priority for the Government. We will support the independent inquiry to do its job so that the victims she worked with and those all over the country get the justice they seek.

**Ian C. Lucas** (Wrexham) (Lab): In north Wales, where many offences of child sexual abuse took place, there is extreme scepticism about the Government's commitment to openness. The Macur review, which reported recently, redacted the names of people in positions of responsibility, some of them Members of the House, because of continuing court proceedings. We now know that Gordon Anglesea has been convicted. If the Minister is committed to openness, will she go back to the Ministry of Justice and ask it to revisit the Macur review and to make open those redacted names to make it clear that there is openness in this inquiry and that, following their conviction for heinous crimes of child sexual abuse, those responsible will be openly put for consideration as part of reports issued by the Government?

**Sarah Newton:** The hon. Gentleman says there are concerns about a lack of openness and transparency, which I simply do not accept. The Government have done more than any other Government to make people accountable, to be more transparent, to open up processes and to make those in authority accountable for their actions.

**Ian C. Lucas:** Answer the question.

**Sarah Newton:** The question you are asking is about a specific case, but it would be completely inappropriate for me to comment on a case that is going through the courts. I have absolute confidence in our criminal justice system. The matters the hon. Gentleman raises should be raised with the justice system.

**Mr Speaker:** First, I should just point out that I was not asking any question, as the Chair does not do so. Secondly, notwithstanding the evident and audible frustration of the hon. Member for Wrexham (Ian C. Lucas), I simply make the point that there has been a full exchange today, but these matters will inevitably be returned to on the Floor of the House, possibly on innumerable occasions, and either the hon. Lady or some other Minister will toddle along to the Dispatch Box to respond. The matter will go on and on. I feel sure of that.

## Higher Education and Research Bill

*Consideration of Bill, as amended in the Public Bill Committee*

**Mr Speaker:** Members will note that I have, unusually, selected some starred amendments. I have done so in the circumstances applying to this particular Bill—the hon. Member for Southport (John Pugh), following his point of order on this matter, will be conversant with the issues—because the deadline for tabling amendments had already passed when today’s business was announced last week. In those circumstances, it seemed to me sensible and helpful to the House to proceed in this way.

### New Clause 1

#### DUTY TO MONITOR AND REPORT ON FINANCIAL SUSTAINABILITY

“(1) The OfS must monitor the financial sustainability of the following registered higher education providers—

- (a) those who are funded wholly or partly by a grant, loan or other payment from the OfS under section 37 or 38 (financial support for providers),
- (b) those who are not so funded but are eligible to receive such funding under section 37 or 38, and
- (c) those who provide higher education courses which are designated for the purposes of section 22 of the Teaching and Higher Education Act 1998 (financial support for students) by or under regulations made under that section.

(2) The OfS must include in its annual report a financial sustainability summary for the financial year to which the report relates.

(3) “A financial sustainability summary” for a financial year is a summary of conclusions drawn by the OfS for that year, from its monitoring under subsection (1), regarding relevant patterns, trends or other matters which it has identified.

(4) Patterns, trends or other matters are “relevant” if—

- (a) they relate to the financial sustainability of some or all of the registered higher education providers monitored under subsection (1), and
- (b) the OfS considers that they are appropriate to be brought to the attention of the Secretary of State.

(5) In this section—

“annual report” means the annual report under paragraph 13 of Schedule 1;

“financial year” has the same meaning as in that Schedule (see paragraph 12(6)).”—(*Joseph Johnson.*)

*This new clause, which is for insertion after clause 61, requires the OfS to monitor the financial sustainability of registered higher education providers who are in receipt of, or eligible for, certain kinds of public funding. It requires the OfS to include in its annual report a summary of conclusions which it draws from that monitoring regarding patterns, trends or other matters which it has identified relating to the financial sustainability of some or all of the providers monitored and which it considers are appropriate to be brought to the attention of the Secretary of State.*

*Brought up, and read the First time.*

4.15 pm

**The Minister for Universities, Science, Research and Innovation (Joseph Johnson):** I beg to move, That the clause be read a Second time.

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

New clause 4—*Committee on Degree Awarding Powers and University Title*—

“(1) The OfS must establish a committee called the “Committee on Degree Awarding Powers and University Title”.

(2) The function of the Committee is to provide advice to the OfS on—

- (a) the general exercise of its functions under sections 40, 42, 43 and 53 of this Act, and section 77 of the Further and Higher Education Act 1992;
- (b) particular uses of its powers under section 40(1) of this Act; and
- (c) particular uses of its powers under section 77 of the Further and Higher Education Act 1992.

(3) The OfS must seek the advice of the Committee before—

- (a) authorising a registered higher education provider or qualifying further education provider to grant taught awards, research awards or foundation degrees under section 40(1) of this Act;
- (b) varying any authorisation made under section 40(1) of this Act so as to authorise a registered higher education provider or qualifying further education provider to grant a category of award or degree that, prior to the variation of the authorisation, it was not authorised to grant; and
- (c) providing consent under section 77 of the Further and Higher Education Act 1992 for an education institution or body corporate to change its names so as to include the word “university” in the name of the institution or body corporate.

(4) The OfS must also seek the advice of UKRI before authorising a registered higher education provider or qualifying further education provider to grant research awards under section 40(1) of this Act.

(5) The OfS does not need to seek the advice of the Committee before—

- (a) revoking an authorisation to grant taught awards, research awards or foundation degrees; or
- (b) varying any authorisation to grant taught awards, research awards, or foundation degrees so as to revoke the authorisation of a registered higher education provider or qualifying further education provider to grant a category of award that, prior to the variation of the authorisation, it was authorised to grant.

(6) Subsection (4) applies whether the authorisation being revoked or varied was given—

- (a) by an order made under section 40(1) of this Act;
- (b) by or under any Act of Parliament, other than under section 40(1) of this Act; or
- (c) by Royal Charter.

(7) In providing its advice to the OfS, the Committee must in particular consider the need for students, employers and the public to have confidence in the higher education system and the awards which are granted by it.

(8) The OfS must have regard to the advice given to it by the Committee on both the general exercise of its functions referred to in subsection (2) and any particular uses of its powers referred to in subsection (3).

(9) The majority of the members of the Committee must be individuals who appear to the OfS to have experience of providing higher education on behalf of an English higher education provider or being responsible for the provision of higher education by such a provider.

(10) In appointing members of the Committee who meet these criteria, the OfS must have regard to the desirability of their being currently engaged at the time of their appointment in the provision of higher education or in being responsible for such provision.

(11) The majority of the members of the Committee must be individuals who are not members of the OfS.

(12) Schedule 1 applies to the Committee on Degree Awarding Powers and University Title as it applies to committees established under paragraph 8 of that Schedule.”

*This new clause would create a committee of the OfS which fulfils much the same functions as the current Advisory Committee on Degree Awarding Powers.*

**New clause 7—Automatic review of authorisation—**

“(1) The OfS must consider whether to vary or revoke an authorisation given under section 40(1) if—

- (a) the ownership of the registered provider is transferred,
- (b) the owner of the registered provider has restrictions placed on its degree-awarding powers in relation to another registered provider under its control or ownership, or
- (c) for any other reason considered to be in the interest of students enrolled at the institution or the public.

(2) A decision taken under sub-section (1) to vary or revoke an authorisation shall be carried out in accordance with section 43.”

*This new clause would ensure that a review of a provider's degree awarding power would be triggered if the ownership of a provider changes, if the owner of the registered provider faces restrictions to its degree awarding powers in another jurisdiction or if the OfS deems a review necessary to protect students or the wider public interest.*

**New clause 9—OfS report: international students—**

“(1) The OfS shall, in accordance with information received under paragraph 8(1)(ba), produce an annual report for the Secretary of State on—

- (a) EU (excluding from the UK), and
- (b) non- EU

students enrolled with English higher education providers.

(2) A report under subsection (1) must include an assessment of—

- (a) the number of international students, and
- (b) the financial contribution of international students to English Higher Education providers.

(3) The Secretary of State shall lay the report produced under subsection (1) before each House of Parliament.”

**New clause 12—Prohibition: use of quality of higher education when determining a visa application—**

“An assessment made of the quality rating of a higher education provider in the United Kingdom under section 25 of this Act may not be used when assessing a person's eligibility for leave to enter or remain in the United Kingdom under Part 1 of the Immigration Act 1971.”

**New clause 14—Post Study Work Visa: evaluation—**

“(1) Within six months of this Act coming into force, UKRI must commission an independent evaluation of the matters under subsection (1B) and shall lay the report before the House of Commons.

(1B) The evaluation under subsection (1A) must assess—

- (a) the effect of the absence of post study work visas for persons graduating from higher education institutions in the United Kingdom on—
  - (i) the economy, efficiency and effectiveness of the higher education sector, and
  - (ii) the UK economy, and
- (b) how post study work visa arrangements might operate in the UK, including an estimate of their effect on—
  - (i) the economy, efficiency and effectiveness of the higher education sector, and
  - (ii) the UK economy.”

*This new clause would require UKRI to commission research on the effects of the absence of arrangements for post study work visas and assess how such arrangements could operate in the UK and their effect on the higher education sector and the UK economy.*

**New clause 15—Standing Commission on the integration of higher education and lifelong learning—**

“(1) The Secretary of State shall establish a Standing Commission on the integration of Higher Education and Lifelong Learning.

(2) The terms of reference of the Commission shall include the following purposes—

- (a) to report on progress being made in respect of the opportunities available to individuals, employers and communities to integrate higher education with lifelong learning in England;
- (b) to consider the potential to update and review the range of higher education qualifications available for mature students at all registered higher education providers;
- (c) to evaluate current funding systems for registered higher education providers with respect to the opportunities available to individuals, employers and communities to integrate higher education with life-long learning, in England;
- (d) to examine and report on the introduction of personal learning accounts to be used for higher education—
  - (i) funded on the contributory principle from employers, individuals and structures of devolved local and national government; and
  - (ii) on the arrangements that will operate to facilitate input from corporate or trade union bodies, which can be used to support lifelong learning and adult education;
- (e) to examine and report on the potential to develop education and skills accounts (ESAs), including the possibility of a single lifetime higher education entitlement; and
- (f) to examine and report on the establishment of a national credit rating, accumulation and transfer system as a mechanism to improve flexible learning in further and higher education, including for mature students, and on the feasibility of a digital credit system, which could also facilitate where appropriate the integration of work-based learning and higher education.

(3) The Commission will make the following reports on the matters set out at subsection (2) to be laid before Parliament—

- (a) within 12 months of its establishment; and
- (b) thereafter annually.

(4) When the report in respect of ESAs required at subsection (2)(e) has been made, the Secretary of State may authorise the OfS to work with higher education providers, employers and financial institutions to develop a framework for ESAs.”

**New clause 16—Migration Statistics: students—**

“When the Secretary of State publishes statistics on the immigration of people to the United Kingdom, the relevant publication must provide—

- (a) the figures net and gross of those people who are students studying in the UK, or
- (b) a note indicating how many students included in the total immigration figures are students studying in the UK.”

**Government amendment 1.**

Amendment 51, in clause 5, page 4, line 9, at end insert—

“(1A) Subject to subsection (1C), initial registration conditions of all providers under paragraph (1)(a) must include a requirement that every provider—

- (a) provides all eligible students with the opportunity to opt in to be added to the electoral register through the process of enrolling with that provider, and
- (b) enter into a data sharing agreement with the local electoral registration officer to add those students to the electoral register.

(1B) For the purposes of subsection (1A)—

- (a) a “data sharing agreement” is an agreement between the higher education provider and their local authority whereby the provider shares—
  - (i) the name,
  - (ii) address,
  - (iii) nationality,
  - (iv) date of birth, and
  - (v) national insurance data of all eligible students enrolling and/or enrolled with the provider who opt in within the meaning of subsection (2A)(a);
- (b) “eligible” means those persons who are—
  - (i) entitled to vote in accordance with section 1 of the Representation of the People Act 1983, and
  - (ii) a resident in the same local authority as the higher education provider.

(1C) Subsection (1A) does not apply to the Open University and other distance learning institutions.”

*This amendment would ensure that the OfS includes as a registration condition for higher education providers the integration of electoral registration into the student enrolment process. Distance-learning providers are exempt.*

Amendment 37, page 4, line 17, after “providers” insert “, staff and students”.

*This amendment would ensure consultation with bodies representing higher education staff and students.*

Amendment 52, in clause 8, page 5, line 35, at end insert—

- “(ba) a condition that requires the governing body of the provider to provide the OfS with information on the number of international students enrolled on a higher education course at that institution and the fees charged to those students,”

Amendment 38, page 5, line 39, at end insert—

“and

- (d) an access and participation plan condition, as defined in section 12.”

*This amendment would make access and participation plans mandatory for all higher education providers.*

Government amendment 2.

Amendment 39, in clause 9, page 6, line 13, at end insert—

- “(iv) age band,
- (ii) people with disabilities, and
- (iii) care leavers.”

*This amendment would include the number of people with disabilities and care leavers, as well as the age of applicants, in the published number of applications.*

Government amendments 3 and 4.

Amendment 46, in clause 25, page 15, line 25, at beginning insert “Subject to subsection (7),”.

*See the explanatory statement for amendment 47.*

Amendment 49, page 15, line 32, at end insert—

“(1A) The scheme established under subsection (1) shall have two ratings—

- (a) meets expectations, and
- (b) fails to meet expectations.

(1B) Each year, after the scheme established under subsection (1) comes into force the OfS must lay a report before Parliament on the number of international students—

- (a) applying to, and
- (b) enrolled

at the Higher Education Providers that have applied for a rating within the meaning of subsection (1).”

*This amendment provides for a pass/fail only Teaching Excellence Framework (TEF) rating, and requires the OfS to report on the number of international students applying to and attending Higher Education providers each year from the coming into force of the TEF.*

Amendment 47, page 16, line 23, at end insert—

“(7) No arrangements for a scheme shall be made under subsection (1) unless a draft of the scheme has been laid before and approved by a resolution of both Houses of Parliament.”

*This amendment and amendment 46 would ensure TEF measures were subject to scrutiny by, and approval of, both Houses of Parliament.*

Amendment 50, page 16, line 23, at end insert—

“(7) In making arrangements under sub-section (1), the OfS must make an assessment of—

- (a) the evidence that any proposed metric for assessing teaching quality is correlated to teaching quality, and
- (b) the potential unintended consequences that could arise from implementing the scheme including proposals on how such risks can be mitigated.

(8) Prior to making an assessment under subsection (7) the OfS must consult—

- (a) bodies representing the interests of academic staff employed at English higher education providers,
- (b) bodies representing the interests of students enrolled on higher education courses, and
- (c) such other persons as the OfS considers appropriate.

(9) The assessments made under subsection (7) must be published.”

*This amendment would require an assessment of the evidence of the reliability of the TEF metrics to be made and for the assessment to be published.*

Government amendments 5 to 11.

Amendment 40, in clause 40, page 23, line 22, at end insert—

“(c) the OfS is assured that the provider is able to maintain the required standards of a UK degree for the duration of the authorisation; and

(d) the OfS is assured that the provider operates in students’ and the public interests.”

*This amendment requires the OfS to be assured about the maintenance of standards and about students’ and the public interest before issuing authorisation to grant degrees.*

Amendment 41, page 23, line 47, at end insert—

“(9A) In making any orders under this section, and sections 41, 42 and 43, the OfS must have due regard to the need to maintain confidence in the higher education sector, and in the awards which they collectively grant, among students, employers, and the wider public.”

*This amendment would ensure that the granting and removal of degree awarding powers would be linked to a need to maintain confidence in the sector, and with a view to preserving its excellent reputation.*

Amendment 58, in clause 51, page 31, line 41, at end insert—

“(A2) The power described in subsection (A1) may be exercised so as to include the word “university” in the name of the institution only if the institution can demonstrate that—

- (a) it offers access to a range of cultural activities, including, but not restricted to—
  - (i) the opportunity to undertake sport and recreation, and
  - (ii) the opportunity to access a range of student societies and organisations,
- (b) it provides students support and wellbeing services including specialist learning support,
- (c) it provides opportunities for volunteering,

(d) it provides the opportunity to join a students' union, and

(e) it plays a positive civic role.”

Government amendments 12, 13, 18 and 19.

Amendment 36, in schedule 1, page 69, line 37, at end insert—

“(h) being an employee of a higher education provider, particularly in the capacity of teaching or researching.”

*This amendment would ensure the Secretary of State had regard for the experience of higher education employees, teaching or research staff.*

Amendment 48, page 69, line 37, at end insert—

“(h) representing or promoting the interests of employees in higher education establishments.”

*This amendment requires that at least one of the ordinary members of the OfS has experience of representing or promoting the interests of employees in higher education.*

Government amendments 21 to 34.

**Joseph Johnson:** New clause 1 relates to the Office for Students, which is central to the Bill and has quality, student choice, equality of opportunity and value for money at its core. Through the creation of the independent OFS, the Bill will join up the currently fragmented regulation of the sector—essential to ensure that students are protected, and that students and the taxpayer receive good value for money from the system. The Bill will boost social mobility and promote opportunity for all. It will drive up innovation, diversity, quality and capacity in our world-class higher education sector, while protecting academic freedom and institutional autonomy. The Bill will also create UK Research and Innovation, a new body with strategic vision for research and innovation in the UK.

I am pleased that the Bill received such thorough scrutiny in Committee. I have reflected on the points made by Opposition Members and I am pleased to present some important amendments today. We made clear in our White Paper that the OFS will have responsibility for oversight of the financial health of the sector, and will monitor the sustainability of individual institutions. It is absolutely essential that all providers who are eligible to receive some form of public funding have sustainable finances to ensure value for students and taxpayers.

We have listened to stakeholder evidence and to the Committee debates. Stakeholders including Universities UK consider the Higher Education Funding Council for England's holistic oversight of the health of the sector to be an essential part of the regulator's role. I understand the importance of this oversight in maintaining confidence in the sector and preserving its world-class reputation. The stakeholders share the desire to make our policy intention in the White Paper explicit in legislation. This role will include financial oversight of all the institutions' activities, spanning teaching and research.

**John Howell (Henley) (Con):** I understand the need for monitoring the financial sustainability of organisations, but the new clause does not say what actions will result if some of them are found to be financially unsustainable. Would my hon. Friend comment on that?

**Joseph Johnson:** The duty of the Office for Students will be to ensure that it is monitoring effectively the overall financial health of the sector in such a way that

it is able to inform the Secretary of State, so that the Government can take appropriate actions. It will not be the role of the Office for Students to bail out struggling institutions—if there are any such institutions. These are private and autonomous bodies, and it is important that the discipline of the marketplace acts on them. It will be the role of the OFS to assist them in transitioning towards viable business plans so that they can continue to provide high-quality education to their students in the medium and long term.

New clause 1 introduces a statutory duty for the OFS to monitor and report on the financial sustainability of all registered HE providers in England which are in receipt of or eligible for OFS funding or tuition fee loans.

**Mr Jim Cunningham (Coventry South) (Lab):** Will the regulator have the power to ensure that there are good industrial relations within our universities? There is certainly a problem with industrial relations at Coventry University, particularly as regards subcontractors.

**Joseph Johnson:** Higher education institutions are private and autonomous bodies that are self-organising. It is of course important that they provide a framework of governance that enables students to learn well in their institutions, and I am sure that that will include a healthy dialogue with their staff and employees. It is not for the Government to mandate particular forms of relations, given that these institutions are private and autonomous.

In performing its role, the OFS will have a clear picture of the number of international students and the income they bring—just as HEFCE currently does. I therefore do not agree with the need for an additional duty for the OFS to report on international students, as amendment 52 and new clause 9, tabled by the hon. Member for Southport (John Pugh), would require.

Similarly, I do not believe that the Bill is an appropriate vehicle for a requirement for the commissioning of research on post-work study, as proposed by the hon. Members for Glasgow North West (Carol Monaghan) and for Kirkcaldy and Cowdenbeath (Roger Mullin). The Bill focuses on the creation of the necessary structures that will oversee higher education and research funding for many years to come, and a short-term piece of research on an element of migration policy is not consistent with the scope and functions of UK Research and Innovation.

**Wes Streeting (Ilford North) (Lab):** The Minister clearly does not believe that the Bill is the right vehicle for the issues under consideration, but does he understand why Members would pick this vehicle? His Department understands the importance of international students to UK higher education, and the Treasury understands their role, so why do the Home Office and the Prime Minister not understand it? Does the Minister not realise that, like him, we will be banging our heads against a brick wall at the Home Office?

**Joseph Johnson:** The Home Secretary has said that in the coming weeks we will consult on a non-European economic area migration route that will benefit international students who want to come and study at our world-class institutions, and I would encourage the hon. Gentleman to wait until we see the details of that consultation before jumping to any conclusions.

**Roger Mullin** (Kirkcaldy and Cowdenbeath) (SNP): The Minister referred to “an element”. The post-study work visa is not just the subject of “an element” of concern to universities in Scotland; it is of major concern, especially given that what the Home Office has proposed is a tiny and completely unrepresentative pilot. This is a matter of great importance to the university sector.

**Joseph Johnson:** Indeed. The Government fully agree with the hon. Gentleman that international students bring a lot to our higher education system. They bring income, valued diversity, and many other benefits to our universities. We welcome them, and we have a warm and welcoming regime to accommodate them.

Let me now deal with Government amendments 1, 12 and 13. Academic freedom and institutional autonomy are keystones of our higher education system, and the Bill introduces additional protections in that area. In his evidence to the Bill Committee, Professor Sir Leszek Borysiewicz, vice-chancellor of the University of Cambridge, said that he particularly liked the implicit and explicit recognition of autonomy in the Bill. However, I wanted to make absolutely clear how important it is for the Government to protect institutional autonomy, which is why I proposed a further group of amendments to strengthen the protections even more.

I recognise the concerns expressed in Committee and in stakeholder evidence that allowing the Secretary of State to give guidance relating to particular courses might be perceived as leaving the door open to guidance calling specifically for the opening or closing of particular courses. One of the real strengths of our higher education system is diversity and the ability of institutions to determine their own missions, either as multidisciplinary institutions or as institutions specialising in particular areas such as the performing arts or theology. To avoid any confusion, I proposed the amendments to add an additional layer of reassurance regarding the protections given to institutional autonomy. They make clear that the Secretary of State cannot give guidance to, or impose terms and conditions or directions on, the OFS which would require it to make providers offer, or stop offering, particular courses.

Our reforms place students at the heart of higher education regulation. I agree with Labour Members that it is important to build the student perspective into the OFS. Government amendment 21 clarifies beyond doubt that at least one member of the OFS board must have experience of representing or promoting the interests of individual students or students generally.

Labour Members tabled amendments 36 and 48, which relate to higher education staff representation. We share the view that the OFS board should benefit from the experience of HE staff. However, the Bill already requires the Secretary of State to have regard to appointing board members with experience of the broad range of different types of English providers in the sector. We are therefore confident that a number of OFS board members will be, or will have been, employed by HE providers, and we do not believe that we need to make an additional requirement in legislation.

Students make significant investments in their higher education choices, and it is right for them to be aware of what would happen if their course, campus or institution were to close. That is what Government amendment 4 will achieve. We expect all providers to make contingency

plans to guard against the risk that courses cannot be delivered as agreed. The requirement for providers to produce student protection plans would be a condition of regulation. I listened to points made in Committee, and have reflected on the need to strengthen the power of the OFS to ensure that there is transparency in student protection measures, and that is exactly what the amendment does. It enables the OFS to require providers not only to develop student protection plans but to publish them, and we would expect providers to bring them to students' attention.

The Government believe in opportunity for all and through the Bill we are delivering on that. We believe that transparency is one of the best tools we have when it comes to widening participation. Universities have made progress but the transparency duty will shine a spotlight on those institutions that need to go further. That is why I am pleased to propose amendments 2 and 3, which change the language in the Bill to make it clearer that the OFS can ask HE providers to publish and share with the OFS the number of applications, offers, acceptances and completion rates for students, each broken down by ethnicity, gender and socioeconomic background.

The Bill will also give the OFS the power to operate the teaching excellence framework. Thirty years of the research excellence framework and its predecessors have made the UK's research the envy of the world but, without an equivalent focus on excellence in teaching, the incentives on universities have become distorted.

**Dr Rupa Huq** (Ealing Central and Acton) (Lab): The Minister mentioned the TEF and the REF. Does he agree that the REF took several years to bed down and to become a measure of research, and that a lot of institutions feel that the TEF is being rushed through, particularly the link between teaching excellence and fees? I have been emailed by the University of West London, which has asked me strongly to oppose that. The TEF will be done on an institution-by-institution basis, not, like REF, by department. Courses can vary widely in quality. Will he think again in relation to those points?

**Joseph Johnson:** The TEF is not being rushed; it is being piloted for the first two years. Awards will not be differentiated until 2019-20, with effect from the 2019-20 academic year. That is a significant period for the reforms to bed in. The university sector has welcomed the link to fees. Universities UK has recognised that there is a need for such a link and that we need to fund on the basis of quality as well as quantity. There is no attempt by the sector to separate the link.

**Mark Field** (Cities of London and Westminster) (Con): I applaud the Minister's view that we should focus on quality in the sector, rather than just volume, which is one of the problems that has beset the higher education sector in the past 20 or so years. Is there any international parallel for the OFS? Does such a body exist in Canada, Australia or other big global higher education sectors? Are we taking a lead, or following elements of what has happened elsewhere?

**Joseph Johnson:** I thank my right hon. Friend for his helpful intervention. We have studied regulatory systems around the world in drawing up our proposals for the OFS. Our system is in line with several in the Anglophone countries that have moved towards a market-based

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system in which the student is the primary funder of his or her higher education experience. It is therefore incumbent on us to put in place a system of regulation that recognises that we are moving away from the classic funder model of regulation that was put in place by the Further and Higher Education Act 1992, which created the Higher Education Funding Council for England.

New clause 12 and amendment 47 seem to misunderstand the aim of the TEF. Changing the ratings, as proposed by amendment 49, would fundamentally undermine the purpose of the TEF by preventing students from being able to determine which providers are offering the best teaching and achieving the best outcomes. Amendments 46 and 47 would stifle the healthy development of the TEF, and amendment 50 ignores the reasoned and consultative approach that we have taken and will continue to take in developing the metrics.

Let me set out the reasons why amendments tabled by Opposition Members on our plans for degree-awarding powers are unnecessary—namely, new clauses 4 and 7, and amendments 40 and 41. Our reforms will ensure that students can choose from a wider range of high-quality institutions. If the higher education provider can demonstrate their ability to deliver high-quality provision, we want to make it easier for it to start awarding its own degrees, rather than needing to have degrees for its courses awarded by a competing incumbent. We intend to keep the processes on scrutiny of applications for degree-awarding powers, which have worked well so far, broadly as they are. That includes retaining an element of independent peer review for degree-awarding powers applications. Setting this out in legislation, as new clause 4 suggests, would tie this to a static process which would be inflexible. We intend to consult on detailed circumstances where degree-awarding powers and university title might be revoked, including changes of ownership, so there is no need for new clause 7. As for amendments 40 and 41, I can reassure Members that we will, as now, ensure that the very high standards providers must meet to make such awards will be retained. We are streamlining processes, not lowering standards, and these amendments are therefore unnecessary.

The hon. Member for City of Durham (Dr Blackman-Woods) has proposed amendment 58 on the criteria an institution should demonstrate in order to be granted university title. None of these are current criteria. Like now we intend to set out the detailed criteria and processes for gaining university title in guidance, not in legislation.

This group also includes some technical amendments to ensure that the legislation delivers the policy intent set out in our White Paper. I know Opposition Members will be keen to talk about the amendments they have tabled, and I look forward to responding to any further points raised.

4.30 pm

**Paul Blomfield** (Sheffield Central) (Lab): I rise to speak on new clause 7 and amendments 49 to 51, which are in my name. New clause 7 and amendments 50 and 51 cover ground we discussed at length in Committee so I will refer briefly to those points then talk a little longer on amendment 49.

New clause 7 provides for automatic review of degree-awarding powers where ownership of a university changes. This is rooted in experience of the sort of system the Minister is seeking to create in the United States, where a number of institutions with a reasonably well-established reputation changed ownership and fundamentally changed the product and service delivered to students. We need to learn from the mistakes made in the States by ensuring that, should we find ourselves in this new terrain with institutions in this country with degree-awarding powers changing ownership, that should automatically trigger a review of their status. I would welcome some reassurance from the Minister on how he intends to deal with that issue, if not through this new clause. Otherwise we could find ourselves in the same situation as the States, and not only have the reputation of the sector damaged, but students being let down and still carrying a fee-debt. So this is a crucial issue that we need some clarification on.

Amendment 51 covers terrain I have discussed with the Minister on a number of occasions. It simply seeks to require universities to introduce the integrated student enrolment system with voter registration, which is recommended by Universities UK, supported by the Cabinet Office and was originally and very successfully piloted by—I have to get this reference in—the University of Sheffield.

The Minister and I share a common objective of trying to improve the levels of voter registration among students. This has been a demonstrably effective way of doing that where we rolled it out not only as a pilot in Sheffield, with the support of the Cabinet Office, but in other universities—Cardiff, de Montfort and many others, which have gone on to introduce it. This seems like a good opportunity, as we are looking at the registration requirements of universities, to roll it out across the country to achieve objectives we both share.

I have discussed this with the Minister and also his colleague from the Cabinet Office, the hon. Member for Kingswood (Chris Skidmore). There was due to be a roundtable at which we were going to discuss it further tomorrow, but that has been cancelled and kicked into the long grass of sometime in the new year, I was told last week. Given the shared objectives in this area, I would like to hear from the Minister why we cannot simply use this opportunity to get this matter sorted out.

Amendment 50 reflects concern over the reliability of the metrics used to measure teaching excellence. I emphasise, as I did many times in Committee, that we all welcome the Government's focus on teaching excellence, and we can all work effectively together on the principle of the teaching excellence framework. However, the metrics on employment outcomes, on retention and on the national student satisfaction survey have been identified by the Government themselves as a proxy for teaching excellence.

The amendment simply seeks to add to the Bill a requirement that the metrics used by the Government to determine teaching quality should have a demonstrable link to teaching excellence. This was the unanimous recommendation of the then Business, Innovation and Skills Committee, of which I was then a member. We all agree that employment outcomes do not necessarily demonstrate teaching excellence. There are also enormous regional variations in employment outcomes and salary levels. The Minister will know that someone who comes from the right family and goes to the right school and

university could have an awful teaching experience but still get a decent job. The converse is also true. People who do not come from the right family and who do not go to what many see as the right university could have an excellent teaching experience but not command such high salary levels. So employment outcomes are a crude and almost perverse proxy measure of teaching excellence. I would therefore welcome the Minister's observations on why this simple amendment to introduce a demonstrable link between the metrics and teaching excellence would not strengthen the Bill and will not be accepted by the Government.

**Mr Mark Hendrick** (Preston) (Lab/Co-op): Should the demonstrable link involve a recognition of the experience and qualifications of lecturers? What does my hon. Friend have in mind when it comes to proving that teaching quality exists?

**Paul Blomfield:** Measuring teaching quality is difficult, but if we are going to do it, and if we are going to link fee increases to it, we should do it well rather than badly. For example, the Higher Education Funding Council for England is piloting some work on value added to determine how it can be demonstrated that good teaching has contributed to students' learning outcomes during a particular period. That is the kind of research we should be looking at before we rush into establishing a teaching excellence framework that might end up measuring everything but teaching excellence.

**Roger Mullin:** Does the hon. Gentleman therefore agree with Professor Jack Dowie's view that the teaching excellence framework measures what it measures but does not measure the quality of teaching excellence?

**Paul Blomfield:** The hon. Gentleman has expressed my concern exactly. This is the reason behind my amendment. There should be agreement across the House that the teaching excellence framework should measure the quality of teaching. That does not seem controversial to me, and I am therefore disappointed that the Government were unable to accept the unanimous recommendation of the BIS Committee. I want to press the Minister further today to find out his reasoning for this.

Amendment 49 raises new concerns that became clear only as the Bill progressed through Committee. It is apparently the Government's intention—although I recognise that it might not be the Minister's wish—to link the visa regime for international students to quality measures. There are Members present on both sides of the House who share my concern, so let me put it into context. The Minister will agree that international students are hugely beneficial to this country and to our universities. They enrich the learning environment of our campuses. In an even smaller world, in which we need to understand each other better than ever, it is a huge advantage for British students to learn in our classrooms and laboratories alongside students from around the world. International students add hugely to our universities' research capacity, also strengthening local businesses, as I know from my experience in Sheffield.

We should add to that the huge benefits of the lasting relationships that we build with those who study here. According to the Higher Education Policy Institute, 55 world leaders from 51 countries studied here. That leads

to the sort of soft power that is the envy of other countries—political influence, commercial contracts, and so on.

**Dr Huq:** I am loth to interrupt my hon. Friend because he is in full flow and making a powerful point, but does he agree that the Bill was conceived before Brexit and that the world has changed since then? I am holding a Westminster Hall debate on this subject on Wednesday and have received emails from academics and students from all over country saying that this entire thing should be scrapped because the context is so different and everything has changed for higher education since the decision on 23 June.

**Paul Blomfield:** I look forward to joining my hon. Friend in Westminster Hall on Wednesday, because she makes a valid point—one that a number of us made in Committee. This pre-Brexit vision should have been parked and rethought as a result of the decision on 23 June because the challenge facing our universities is fundamentally different and of enormous proportions. We need to reconsider the proposals.

**Mr Hendrick:** On that point, many mainland European universities now offer courses in English. Our leaving the European Union will significantly disadvantage British universities in attracting foreign students, because degrees in some European countries are now offered in English, not necessarily in French, German or the native language.

**Paul Blomfield:** My hon. Friend highlights a new dimension to the challenge facing our universities as a result of Brexit. My wider point about international students existed before 23 June, but we now face a situation in which the 185,000 international students, of some 500,000, from EU countries may no longer choose to come here. However—this is crucial in relation to my hon. Friend's intervention—30% of the non-EU students who were polled before 23 June said that the UK would be a less attractive destination if we chose to leave the European Union. Our competitors in Europe, adding to the competition that we already get from Australia, Canada and the United States, are seizing the opportunity to teach English-language courses, which will become very attractive.

**Mr Jim Cunningham:** Coventry has two universities. A big concern following Brexit is that international students, in particular from countries such as India, are now looking at north America given the difficulty they will have in coming to this country when they are treated as immigrants. They should be removed from immigration figures, because the benefits amount to just under £10 billion coming into this country. I hope the Government are taking that seriously.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. The hon. Gentleman is certainly testing my patience. It is one thing to come in and then ask a question, but it is another thing to stretch it into a speech. The hon. Member for Sheffield Central is being generous with interventions, but we do not want to get into a Brexit debate.

**Paul Blomfield:** Thank you, Mr Deputy Speaker. I appreciate the intervention of my hon. Friend, because he is a strong champion of the two universities in Coventry and he makes, on every occasion, this strong

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point about the importance of international students. He is right. Many universities around the country will be in crisis if there is a significant drop in the number of international students. It will mean not only that their incomes will drop, but that many of their postgraduate taught courses, which are viable only because of the levels of income that are brought through our international students, will cease to be viable, cease to exist and cease to be available for UK students. It is a hugely important issue.

4.45 pm

**Mark Field:** The hon. Gentleman will know that I entirely accept his last point about a number of these postgraduate courses. In an ideal world, as he knows, I would not have students in the immigration figures, but we are where we are and they will remain in those figures. Surely one of the lessons of Brexit is that this issue is of massive concern to many of our fellow countrymen. Therefore, it is incumbent on universities to ensure that we get high-quality students from abroad, and that is really the focus of what the Government are trying to achieve here. We need to ensure that those students who come here are the *crème de la crème* and will add the sort of experience to which he referred earlier in his contribution. By having a group of high-quality students, we will command the confidence of the public that we are getting only the brightest and the best, rather than a volume operation in our universities.

**Paul Blomfield:** I thank the right hon. Gentleman for his intervention. He and I have worked closely on a number of these issues, and we do agree that international students should be taken out of net migration targets. On the point that he raises, I disagree with him. I know that we would come together in saying that our universities are a great British export industry, but I am genuinely puzzled why the Government do not see them as an industry in other terms. We do not put in measures to seek to discourage the automobile industry from selling cars; we try to encourage it to sell more cars. Similarly, on the point that he raises, we do not say, “Well, we just want you to sell Rolls-Royce cars. We don’t want you to sell Minis.” It is nonsense economically for our country and for the local economies that we all represent. That is the nub of the problem.

The right hon. Gentleman talks about the way in which these issues are viewed by the public. International students are not viewed as a threat or as an issue on which the Government should be taking action. A recent poll showed that 75% of people wanted to see the numbers of international students either stay the same or go up, but the Government strategy, as he knows, is moving us in the other direction.

The Home Secretary, albeit against her will, made a speech to the Conservative party conference in which she put international students at the centre of her plans to cut migration—I am sure that the right hon. Gentleman will agree that she was wrong to do that. She introduced a new tool, to which he has alluded, with which she planned to do it. It is by linking visa approval to the quality of courses. We need to reflect on that, because it is a very significant development, as we now have a policy objective of reducing international students—the Government did it by default in the previous Parliament.

**Joseph Johnson:** The hon. Gentleman should remind himself that international student applications have gone up 14%.

**Paul Blomfield:** Well, I would be interested for the Minister to intervene again and say over what period, because he will know that, over the period of the last Parliament, the numbers flatlined and that we lost market share.

**Joseph Johnson:** The answer is since 2010.

**Paul Blomfield:** We will probably disagree on those figures. I think I have heard the Minister say previously—if it was not him then it was his predecessors and previous immigration Ministers—that there was no damage from the measures that were taken in the last Parliament, because numbers flatlined. From my point of view, flatlining in a growing market is a defeat. We would not say that the world is buying 20% or 30% more cars, but the great news is that our exports are flatlining. It does not make sense. However, I am sure the Minister will agree that international students are an extremely good thing for our economy. It is therefore deeply worrying that the Home Secretary put international students at the centre of her plans to cut migration.

**Wes Streeting:** I strongly agree with everything that my hon. Friend is saying. Can he imagine a scenario where higher education institutions are recruiting UK students on to courses, but sending a message to people from overseas that the courses are not good enough for them? What conclusion will UK students draw? If the courses are not good enough for international students, surely they are not good enough for home students.

**Paul Blomfield:** My hon. Friend makes the point that I was about to make. If we were looking at a teaching excellence framework in parallel with our competitors around the world, and if we were together saying that we think the world market in international education needs such a tool and that in that world market it would be helpful to have institutions ranked as gold, silver and bronze, that would be one thing, but for us unilaterally to declare to the world that we are differentiating our institutions and saying that a good two thirds of them, perhaps, are less good than others, can do nothing other than damage our ability to recruit international students and to earn the money that we do from them, as well as the jobs and support for our economy that that brings.

**Hywel Williams (Arfon) (PC):** Does the hon. Gentleman agree that there may be not just reputational damage at home, but consequences abroad? My own university, Bangor, takes a large number of Chinese students, but its good name in Bangor enables it to have a site in China and a very successful operation there. There would be reputational damage of that sort as well.

**Paul Blomfield:** The hon. Gentleman makes an important point. It is not just the recruitment of students but the brand strength of UK universities, which is extraordinarily high, that is put at risk by the measure.

Last week in Westminster Hall I sought assurances from the Immigration Minister as to whether it is the Home Office’s intention to use the teaching excellence framework measurement of quality as a basis for its

visa regime in an attempt to cut down the number of international students. I got no reassurance. I gave the Minister a couple of opportunities to say that the Government did not intend to use the TEF for that purpose and he failed to do so.

The amendment says that until we are clear about the Government's intention in relation to differentiation by gold, silver and bronze grading, and following a proper economic impact assessment of what that might mean for our universities, we should not seek to differentiate the teaching excellence framework in this way and we should simply have meeting expectations or not meeting expectations ratings. I accept that it is not the Minister's intention to damage our universities by the introduction of this differentiation, but it could be the unintended consequence of the actions of the Home Office, so we need reassurance on the issue.

As we have heard, these are challenging times for our country. Charting our post-Brexit place in the world will be a big job. We need to win friends, not alienate them. The Prime Ministerial trade mission to India recently demonstrated that many of those friends will put access to our universities at the heart of any discussion of our future relationship, even on the issue of trade. We will not be able to separate those. We cannot afford to put the sector and the export earnings that we get from international students at risk in this way. I therefore ask the Minister to think again.

**Carol Monaghan** (Glasgow North West) (SNP): I rise to speak to new clause 14 on post-study work visa evaluation, and I reserve the right to push it to a vote, if required.

The SNP continues to press for the reintroduction of the post-study work visa. The new clause would ensure we had an evaluation of how the absence of this key visa has affected the UK economy and how a new visa may be implemented.

As we have heard, the post-study work visa is an important lever for attracting the best international student talent. There is consensus in Scotland among business, education and every political party represented at Holyrood that we need a return of the post-study route to allow these talented students to remain and to contribute to the Scottish economy.

The outcome of the EU referendum makes it even more important that the UK Government honours the recommendation in the Smith report to explore a potential post-study work route to ensure that Scotland continues to attract and retain talent from around the world. The longer we wait for the Government to move on this, the more damage is being done socially and economically.

The current post-study work offer is not adequate for Scotland. We have offered to discuss the reasons behind that with UK Ministers and Home Office officials, but, disappointingly, UK Ministers appear to rule out a return of the post-study work visa—without meeting Scottish Ministers or the cross-party steering group that has been set up at Holyrood.

The current immigration policy poses a significant risk to Scottish universities. Data published in January show that Scotland saw a 2% increase in international entrants in the academic year 2014-15, compared with the previous year. On the face of it, that may appear positive, but by comparison, from 2013-14 to 2014-15

the number of international students entering higher education in the United States increased by 10%. Rather than being able to take advantage of this growth sector and use it to create economic growth locally, our numbers are expected to remain stagnant, which is simply not good enough.

The Home Office released details of a low-risk tier 4 pilot in July this year, which was—maybe “welcomed” is not the correct word—viewed with some interest. However, we are troubled that it was introduced without any consultation with the Scottish Government, Scottish institutions or, indeed, institutions from across the UK. Universities Scotland said:

“we're disappointed that the opportunity of the pilot has been framed so narrowly to only four universities none of which are in Scotland. We'd argue that a broader pilot, involving a wider group of institutions, would have provided more meaningful lessons from which to build.”

**Mark Field:** The hon. Lady has made a strong case for why she feels post-study work visas should be reintroduced. Does she accept that one of the main reasons for a clampdown by the UK Government is that a number of people come in on these visas and then simply go to ground, and they cannot be removed from this country even though they are here only on a student visa? In making the case that these visas should be reintroduced, will she tell us a little about the further obligations she thinks should be on the universities granting them? They surely cannot simply get students in, take the money and then wash their hands of any responsibility.

**Carol Monaghan:** Certain rogue institutions—particularly private FE colleges—have in the past not complied with visa regulations, but there is little evidence that the HE institutions in the scope of this Bill have any record of non-compliance, so I do not accept the points the right hon. Gentleman makes.

**Roger Mullin:** In last week's Westminster Hall debate, I specifically challenged the Home Office Minister to name any institutions in Scotland that could be said to fall into the behavioural category the right hon. Member for Cities of London and Westminster (Mark Field) suggested, and he said he could not name one.

**Carol Monaghan:** The 19 higher education institutes in Scotland have a strong record in attracting international students and a strong record of compliance, so I agree 100% with my hon. Friend.

5 pm

**Mr Jim Cunningham:** The Scottish Affairs Committee has been looking at some of the issues that the hon. Lady has mentioned, and we found evidence that the Government need to look at the situation in Scotland differently from that in the rest of the country. Scotland has a declining population, so we have to find an anchor to keep the talent in Scotland to develop the Scottish economy.

**Carol Monaghan:** I thank the hon. Gentleman for his intervention. It is well documented that in Scotland our issue is emigration, not immigration, so this is a key lever for allowing us to trigger economic growth in Scotland and something that would make a massive difference to our local economy.

**Mark Field:** Will the hon. Lady give way?

**Carol Monaghan:** No—I have given way enough for the moment.

Last month, Professor Timothy O’Shea, the principal of Edinburgh University, addressed the Scottish Affairs Committee and warned that future restrictions on free movement would have a damaging impact on the sector. He said:

“Yesterday the Prime Minister said helpfully that perhaps a special relationship might be necessary for workers in the City, for the car industry. But God help me if the City and the car industry deserve a special deal, then the universities...they are more dependent on the mobility of highly skilled labour than any other sector.”

As we move towards Brexit, we have the potential for a much wider pool of international students who may wish to come to study in our universities, and we need to think very seriously about the visa solution for that. For example, there is the situation of Ireland. Under the Ireland Act 1949, Ireland is stated not to be a foreign country. What special arrangements will be in place for Irish students who want to come and study in our institutions?

I want briefly to discuss the amendments tabled by the hon. Members for Blackpool South (Gordon Marsden), for Ashton-under-Lyne (Angela Rayner) and for Sheffield Central (Paul Blomfield) that deal with their concerns about the proposed metrics in the teaching excellence framework. There was much discussion in Committee about this. As the hon. Member for Sheffield Central said, there is concern that the metrics being used give no indication of the quality of teaching. In Committee we mentioned the Scottish enhancement-led approach, which is a far more thorough and possibly better method of determining quality. Apparently, however, the metrics proposed by the Government are being pushed ahead with. We are happy to support the amendments tabled by Labour Members.

Amendment 51 would require automatic voter registration in universities. That looks like an extremely innovative idea—and for once, I have to admit, it has not come from Scotland. Perhaps we can start to consider it in Scotland.

We are short of time and there are later amendments that my hon. Friends are keen to press, so I conclude by saying that we will support the amendments I have mentioned and that I hope we can have some movement on new clause 14.

**Dr Roberta Blackman-Woods** (City of Durham) (Lab): I want to speak to new clause 16, which draws on some of the points that my hon. Friend the Member for Sheffield Central (Paul Blomfield) made in relation to amendment 49. In essence, the new clause seeks to remove students from the net migration figures. It would be interesting to hear from the Minister whether the Government have that on their agenda.

I also want to comment on how damaging it would be for the university sector if the number of international students that can be recruited in any one institution is related to the traffic light system in the TEF.

As we know, international students are important not only to higher education but to our economy. The contribution of international students to UK GDP is almost certainly in excess of £10 billion, and they support about 170,000 full-time equivalent jobs. Many of the students go on to do postgraduate work, and

they are involved with and drive forward world-leading research and innovation in this country. They are therefore very much to be commended and supported.

While international students are in this country, they not only get to know the UK but develop an affinity with it. They develop links with staff, and they contribute massively to soft diplomacy, as we have already heard. It cannot be overemphasised that they improve Britain’s standing in the world, so it is very important that the Government do not put the recruitment of international students at risk. Once they are in this country, such students also enrich our society and contribute to its diversity. I know that from my Durham constituency, where international students very much add to the whole cultural experience of the local population.

**Mr Hendrick:** I concur with my hon. Friend on the contribution of international students and the very good experience they get. My local university, the University of Central Lancashire in Preston, has many thousands of foreign students, who very much enrich the city and bring it to life. Once they leave the UK and go back to their countries of origin, these students become some of our best ambassadors and, whether they go into industry or government, their experience in the UK always makes them very positive about the future.

**Dr Blackman-Woods:** My hon. Friend makes an excellent point. The Government should take on board his point about that ambassadorial role.

We can only be bewildered at the mixed messages the Government are giving international students. One message is coming from the Department for Education, another from the Department for Business, Energy and Industrial Strategy and another from the Home Office. I do not yet know whether the Department for International Trade has a view on international students, but, if it does not, it really ought to. Its view should be one of promoting an important industry, as hon. Members have said clearly this afternoon.

Instead of supporting an increase in the number of international students, the Home Office seems to be giving the message that we need to reduce the numbers, and that is having an effect. The figures I have for the number of international students and the trend are very different from those read out by the Minister. It appears that the number of new entrants has fallen by 2.8%. Indeed, one study has put the reduction as high as 5%. The Minister must know that the British Council has stated that the UK is beginning to lose market share to our competitors. Again, the Government should be very concerned about that.

New clause 16 also seeks to find out whether the Minister or the Home Office has any notion of introducing a system in which the number of international students that any institution can recruit is linked to what happens to it in the TEF and, in particular, to where it is in the traffic light system. To give the Minister an example, if the institution is given a gold rating, there may be no cap whatsoever on the number of international students that it can recruit, but if it gets a bronze rating—oh, dear—a cap might be put on the number of students it can recruit. To use the automobile analogy that my hon. Friend the Member for Sheffield Central used earlier, that is like telling Nissan, “You can sell as many cars as you like,” while telling Vauxhall, “We’re going to put one of your hands behind your back and limit the

number of cars you can sell.” That is clearly nonsense. We need definite reassurances from the Minister that the Bill will not be used to link the TEF to the number of international students that can be recruited.

**Mr Hendrick:** Given that the Government are supposed to believe in markets, it is bizarre that, when *Times Education Higher* produces university rankings across the world, they should choose to intervene and say which students should go where when students clearly have a choice in a market-based system.

**Dr Blackman-Woods:** My hon. Friend makes an important point. International students are central to the business model of every higher education institution in the country. In addition to the possible reputational damage that could be done to our universities, we do not want a message to go out that international students are not welcome. The Minister, the Home Office and other Departments could deal with that by saying that students are temporary visitors, which is what our international competitors do in Australia, New Zealand and Canada. That means removing students from the net migration statistics, which would be a very simple thing for the Government to do, and I hope that the Minister will tell us that he is going to do that. We should be ambitious for our universities. We should enable them to grow, particularly in international markets such as Canada, Australia and other countries, and not limit their international potential.

As the Minister will know, he has a mandate to do that. A recent ComRes study—my hon. Friend the Member for Sheffield Central mentioned this—showed that 75% of people who expressed a view would like to see the same number or more international students in the UK. The poll also revealed that the overwhelming majority of the British public think that international students should be able to stay and work in the UK for a period of time. A very clear case has been made and I hope that the Minister will respond positively.

The Minister has referred to amendment 58. There is huge concern in the higher education sector about enabling bodies to call themselves universities even when they do not provide the range of student services and support that most of us would expect from a university. The reason that there is no particular guidance is that we have not needed it. Most of this country’s universities provide a system of student support and access to sport and recreational opportunities. They also provide wellbeing services and volunteering opportunities, enable students to join a students’ union, and play an important civic role.

The reason that I tabled amendment 58 is that the Bill will allow a series of higher education institutions to call themselves universities even though we as yet have no idea whether they will have to offer a range of basic services to students. Will they be able to join a students’ union and sports clubs? Will they play an important role in the local community, as is the case with existing universities? Will they have an important role in the local economy? We have heard nothing yet from the Minister except that there will be some guidance, so I am minded to press amendment 58 to a vote. I would like to hear from the Minister what will be in the guidance about how we describe universities, what the Minister’s understanding of a university is and when the guidance will be made available. In particular, will it be available before the Bill is considered in the other place?

5.15 pm

**Jo Churchill (Bury St Edmunds) (Con):** A university is an establishment where higher-level study, education and research are done. It is not somewhere where one would necessarily avail oneself of volunteering experiences, for example, or of the other things that the hon. Lady has listed. I contend that as we move into longer lifespans within which we may take degrees at different times, we may be looking merely to access a degree to enhance our careers rather than making it part of our lifestyle.

**Dr Blackman-Woods:** The hon. Lady was on the Committee, and I am sure that she will recall that the things in the amendment are in addition to what we might call the core business of a university, which is to enable people to study for a higher-level qualification. The amendment is designed to ensure that we do not get a whole series of institutions that can use the title of university but that offer only a single course of study and a single qualification, because we think that that will dumb down the sector not only for UK students but, in particular, for international students. The hon. Lady will know that the sector is a highly competitive one internationally, and we want to ensure that our universities compete with the best in the world.

We have huge concerns about allowing an institution to say that it is a university when it does not have to provide any access to sports, recreation, cultural activities, volunteering opportunities, work-based learning experience or any of the other things that our universities do right across the piece. I hope that the hon. Lady is as proud as I am that our universities do so.

**Jo Churchill:** I concur, up to a point. I am hugely proud of universities, and I am hugely proud of what they deliver into our economies. But I would also argue that we have other great institutions; BT in Suffolk, for example, hopes to have a specific degree around research, learning and so on, and such things should be enabled for a future workforce that is fit for purpose. They should not just be wiped away because an institution does not offer the chance to play five-a-side football.

**Dr Blackman-Woods:** I, too, think that BT has a number of strengths as a company, but it is yet to be determined whether it is very good at running a university. We will only know that in due course. If BT runs a university, I want to ensure that it is a university as we would commonly understand it, not simply a company that offers a degree course.

**Paul Blomfield:** The hon. Member for Bury St Edmunds (Jo Churchill) picked out the issue of five-a-side football, but does my hon. Friend acknowledge that there is a wider issue? This is the first major Bill on higher education for a generation, and it provides an opportunity to extend university title quite widely. Is not the nub of the problem the fact that no attempt is made to define what a university is?

**Dr Blackman-Woods:** I concur exactly with my hon. Friend. In Committee, the Minister said that he was setting “a high bar that only high-quality providers will be able to meet.”—[*Official Report, Higher Education and Research Public Bill Committee*, 11 October 2016; c. 410.]

[Dr Blackman-Woods]

Unfortunately, at this point in time we have absolutely no idea what is meant by that high bar. I am hoping we will hear from the Minister exactly what he means by a university and what will be in the guidance, and that the quality and breadth of offer of our universities will be protected and will not be got rid of by this Government.

**Wes Streeting:** I am grateful to colleagues for raising so many points that came up in Committee which particularly exercised me with regard to part 1 of the Bill. Because of the shortness of time, I will restrict my remarks to two issues concerning students and staff in higher education.

I welcome Government amendment 21 on student representation on the board of the Office for Students and the fact that the Minister has listened to the huge number of representations he has received from members of the Bill Committee, from students unions and from higher education sector leaders, who really value the contribution students make and want to see students on the board. It would have been perverse to have a regulator whose purpose was to protect the interests of students and that had the word “students” on its door and headed paper but did not have students around the table on its board. I am glad the Minister has moved on that particular point.

As the Bill progresses to the other place, I hope the Minister might consider moving further on the issue of student representation. In Committee we raised the issue of having student representation on the board of the designated quality provider and in drawing up the quality code, and also ensuring that students have representation in what, as my hon. Friend the Member for City of Durham (Dr Blackman-Woods) pointed out, could be a wide range of private providers. Whether an institution is a traditional university, a modern university or one of the new private providers, it is absolutely crucial that students’ rights are protected and their voice is represented at the top of the institution.

I also ask the Minister to address how he sees the issue of student representation playing out on the board of the Office for Students. The wording in Government amendment 21 is not quite what I proposed in Committee—that was slightly more prescriptive, specifying that the representative should be either a student, a sabbatical officer of a students union or an officer of the National Union of Students. I am slightly cautious about the amendment the Secretary of State has tabled, because we could define someone with “experience of representing ... students” quite loosely. For example, a number of Members of this House, myself included, have experience of representing students, but I am sure that we would not expect to find ourselves, years later, on the board of the OFS. Perhaps the Minister will sketch out what that representation might look like.

**Jo Churchill:** Will the hon. Gentleman define what he considers a typical student to be, so that I can gauge his idea of someone who could represent, for example, me—I went to college as a mature student—or a lifelong learner, or whatever? We must not be too tight with the definition. The wording in the amendment gives us scope to have a looser definition and might be more appropriate.

**Wes Streeting:** I certainly do not think that we will be able to find a typical student to sit on the board of the OFS because, as others have said from their perspectives, no such thing exists. That leads me on to where I wanted to direct the Minister, in as far as I can. We should value the skills and expertise that representatives of students develop through their roles in students unions, precisely because there is no such thing as a typical student or a typical student experience. We should value and champion the role that the officers of students unions play in developing their skills and experience as representatives to make sure that students unions champion the broad diversity of students at their institutions; whether students are full time or part time, or are doing part of a course on a credit-based approach, whether they are living at home and commuting to university or have moved away from home, there are a wide range of student experiences. The challenge for anyone who seeks to be a representative is to make sure that they genuinely draw on that broad range of experiences, just as we have to as constituency MPs.

I hope that, when the Minister appoints one of these representatives, he appoints one who is a students union sabbatical officer, for example, because we are lucky in this country to have a means by which students can develop a good base of skills and expertise. Many of the country’s leading chief executives of voluntary sector organisations have been students union sabbatical officers, as have many Members of Parliament and people in all sorts of professions, because the experience and skill sets that it gives them are genuinely valuable beyond the scope of representing students during their time at university. I hope that that is the sort of person the Minister has in mind and that we will not drag people back from beyond to dust themselves off from retirement.

**Mr Hendrick:** Although I agree with everything that my hon. Friend is saying, I think that the hon. Member for Bury St Edmunds (Jo Churchill) was perhaps referring to distance learning students, mature students and people who follow a less usual course to obtain qualifications. Certainly, when I have met the presidents of my students union over the years, they have been sympathetic to the needs of such students. Will my hon. Friend perhaps address the hon. Lady’s point?

**Wes Streeting:** I absolutely agree with that point, which brings me back to the skills and expertise that student union sabbatical officers develop in that role. The Open University students association or Birkbeck students union are institutions almost entirely dedicated to part-time students, people from non-traditional routes and people who often work alongside their studies who have returned to learning later on in life. It is important that that broad range of experience and perspective is represented on the board of the Office for Students. I hope that the Minister will appoint someone to that position who can represent the broad interests of students.

I want now to deal with staff. I should probably declare that I am a member of the trade union Unison, which represents a number of staff in higher education, and I should draw Members’ attention to my entry in the Register of Members’ Financial Interests on that point, too. Amendment 48 picks up the theme that I have been discussing—student representation on the board of the Office for Students—and makes the case for having staff on that board.

Staff are absolutely crucial to the success of our higher education sector, whether they are academic staff directly engaged in teaching and learning or the wide range of support staff, whose contribution to the student experience is often unheralded. Thinking back to my student experience, the first member of staff I spoke to at my university was not an academic; it was Gina Vivian-Neal in the admissions office. When I was at university, I spoke to staff such as Bill Simmonett, who was involved in catering and conferencing, because of my role as the students union entertainments officer. When I had a particularly small room in my second year and a larger one became available, Sue Jeffries made a substantial difference to my learning environment. Margaret Hay, who, I believe, recently retired from her role in the tutorial office, was absolutely central to the experience and welfare and care of students.

Bearing in mind what other hon. Members have said about the role that international staff play in our institutions, it is important that people on the board of the Office for Students have experience of representing the interests of staff. Many of our trade union colleagues, particularly in the University and College Union, have made a powerful case about the impact that the casualisation of contracts, for example, is having on our ability to recruit and retain good staff and their ability to deliver a good student experience.

Other trade unions, such as Unison and Unite, represent those staff who, while perhaps not directly engaged in teaching, often provide essential support functions that can make the difference between an excellent or a poor student experience. I hope that their voice and interests are represented on the board of the Office for Students. Given where we have taken our country in the debate about our ability to attract and retain excellent staff from around the world, we could leave ourselves in a vulnerable position in a sector such as ours that is so world-leading in its performance and reach, and we need to champion and protect the interests of staff.

I hope that the Minister will take those points on board. I thank him for the movement that he has shown since the Bill Committee. I had almost given up hope by the end of the Committee that we would see much progress, but, to give him credit, he has moved. I hope that he will listen to the points that we make today, and perhaps they can be addressed in the other place.

5.30 pm

**John Pugh** (Southport) (LD): I apologise to members of the Public Bill Committee: I did not make the cut, so they have the advantage over me, but I assure them that I read the entire transcript, cover to cover, in one fell swoop—and riveting reading it was.

New clauses 9 and 12 deal with overseas students. The Minister tried to suggest that they would widen the scope of the Bill, but the new clauses, like Labour's amendments, are in order, and we get very few opportunities to talk about this issue. The key point is that overseas students are very much part of the viability of the university sector, and if the Bill is about anything, it is about the viability of the university sector. We are in a brave new world, post-Brexit, and universities clearly wanted a very different outcome. I have been to many events where the Minister has tried, valiantly, to reassure a traumatised sector. It is easy to see why the sector needs reassuring: the loss of good students; the loss of

opportunities for UK students; and the severe outcomes for the research sector. I recently polled a range of vice-chancellors and found that 86% of them thought that the impact of Brexit on their research programmes would be severe. The impacts are financial, cultural and academic—in the sense that it could lead to the collapse of undergraduate courses—and the impact on the research conducted by universities will be profound.

Some things are certainly true—the Minister repeats them from time to time—and nothing changes in the short term. As other Ministers have said to me, we had international students before we were ever in the EU and when Erasmus was thought to be a Dutch humanist, rather than an EU programme, but EU membership makes it a whole lot easier for British universities, and there has been a big increase in their number for as long as we have been in the EU. There is a case for following the numbers, therefore, and that is all new clause 9 endeavours to do. Numbers affect viability, and if the OFS does not do it on an independent basis, who will?

New clause 12 deals with something equally worrying, and something alluded to by the hon. Member for Sheffield Central (Paul Blomfield): nonsensically, we include student numbers in net immigration stats, but the Government—certainly in the form of the Minister—welcome international students. I have heard him on many occasions, at many events, say how welcoming we are supposed to be to international students. As has been established through polling, the public also welcome international students, even when worried, at the same time, about immigration in general. Including them in the net immigration statistics, therefore, is clearly a nonsense.

What really worries the Government is when higher education is used as a stepping stone to employment and residence. This clearly bothers the Home Office. The hon. Member for Sheffield Central has already talked about the Home Secretary's comments, which I found worrying, but also worrying is the suggestion from the Prime Minister's senior adviser—regarded as her brain—that the Government's post-qualification leave to remain should depend on whether someone qualified at a Russell Group university. This is obviously silly because the Russell Group is essentially a self-selecting group and slightly snobbish.

Another way of doing it, as suggested in last week's Westminster Hall debate, is to depend on the teaching excellence framework of a student's institution. In my view, that would be sillier, because the teaching excellence framework is in its infancy and not suited to the task, because not all universities buy into it anyway and because an individual's ability and utility cannot be predicated simply on the institution he or she attends. Few of us would like to be judged by the quality of the teaching we have received. Actually, surviving poor teaching is a considerable and entirely marketable skill; it is slightly easier to profit from good teaching. There are good and valuable courses in institutions that may well pan out with a poor teaching excellence framework in general. This will clearly affect the ability of some institutions to attract overseas students, and valuable courses will collapse as a result—certainly many valuable courses in the capital. Further, if overseas applicants concentrate their applications on universities with good TEFs, it could make it more difficult for UK students to access them. Universities might, in despair, simply shun the TEF if it is used for those purposes.

[John Pugh]

The list goes on. Welding together Home Office policy and education policy seldom works, but we should clear this up. The Minister has an opportunity to do so from the Dispatch Box later, but so far the Government view and the Government take on this issue has been less than clear. That is certainly the case when it comes to the Home Office. Last week in Westminster Hall, the Home Office had an opportunity to say, “Categorically, this is not going to happen,” but we do not know categorically whether it will or not.

I may not get support for my amendment, and I would be happy to support other amendments that travel in the same direction. This issue, however, will not go away because it is important to the sector.

**Gordon Marsden** (Blackpool South) (Lab): I rise to speak to our amendments, but also to comment on others, including the Minister’s new clause 1. Let me start with that and the Minister’s other remarks to make a general observation.

Of course we welcome the move to include a student representative on the body, as has been described. I have to say, however, that it is relatively thin gruel in comparison with the range of positive amendments that would involve employees and students in respect of some of the key issues that the OFS will have to face, some of which we debated in Committee. If the Government want to calm suspicions about the OFS, they need to do more to ensure that as a body, it has sufficient powers directly defined in the Bill. I have always said that we have to work on the assumption that we will have the worst and the naughtiest Secretaries of State, not necessarily the best ones and not necessarily the best Minister with responsibility for universities. That means that we need to build things directly on the face of the Bill. We have not had the ability to do that, and it is not helpful that the ability to tease out these issues should be confined to one day’s discussion of 113 clauses and 12 schedules. Other Members who might have been able to attend today know perfectly well that many of the issues that need to be discussed will have to be dealt with in the other place.

Let me begin by speaking briefly to our amendments, particularly those relating to staff and student involvement. Amendment 37 deals with consultation regarding ongoing registration conditions. It might sound very techy, and I know that there is some consultation with bodies or informal groups representing HE staff and students at the moment. Some of the new providers that the Minister wants to see coming into the marketplace may be relatively small, and may have relatively informal groupings, so it is important that the position of their staff and students is taken into account.

Let me move on to amendments 36 and 48. My hon. Friend the Member for Ilford North (Wes Streeting) has already mentioned the latter. The Government must get into the right mind-set with HE and realise that it is not all simply about vice-chancellors, however excellent they are. It is not simply about business managers either, however excellent they are. It is about the support staff, who live in the local communities where the universities are situated; and it is also about excellent teaching, social mobility and student choice. Sometimes cleaning staff can be the first point of contact for live-in students who face isolation and need someone to talk to.

The Government need a cultural step-change in the way they address these issues, and should not put some of these groups in as an afterthought. We believe that these modest amendments would take us down that route.

In Committee, we talked a great deal about the whole issue of social mobility. The Minister waxed lyrical on the subject—genuinely, I believe—but those who want to walk the walk must do something about putting the beef on to the talk. That is why we tabled amendment 38, which

“would make access and participation plans mandatory for all higher education providers.”

The Government have plenty of angles on the Bill, but two that are raised continually are competition and consumers’ rights. In fact, competition must go hand in hand with consumers’ rights. I am perfectly happy for the pool of new providers to be expanded—I spent 20 years working for an organisation, the Open University, which was once a new provider—but I am anxious to ensure that, if there is to be a competitive market, providers bring to the table a proper sense of the responsibilities that they will have to meet. That is why it is so important to ensure that an access and participation plan is at the heart of what the new providers do. There may be circumstances in which the numbers that that produces are relatively modest, but if the Government want the process to go ahead, providers must accept those responsibilities.

It is in the same spirit of inclusion that we tabled amendment 39, which

“would include the number of people with disabilities and care leavers, as well as the age of applicants, in the published number of applications.”

A number of Members have emphasised the importance of the issue of mature and older students, and indeed part-time students, about which I shall say more when I talk about new clause 15. Amendment 39 demonstrates that emphasis. If we want to have realistic expectations of where those groups are going and know what the Government need to do—and this has already been raised by several Members in the context of international students—we must have that evidence, and the amendment stresses the need to broaden the parameters.

New clause 4, which would establish a “Committee on Degree Awarding Powers and University Title”, is actually modelled on provisions in the Further and Higher Education Act 1992, which we want to passport into this Bill. The Government, rather curiously, do not want such a committee, although one might have thought that they would welcome a backstop. After all, we know that Ministers are bedding down, inevitably slowly, in a new Department with further and higher education responsibilities. Again, the Government cannot be surprised if people think that they want as little outside scrutiny of the new providers as possible.

New clause 4—which, I might point out to the Minister, is supported by all the university groups that have spoken to us—was tabled because, as the Bill stands, the OFS could revoke degree-awarding powers or university title without consulting a committee. The current arrangements for conferring degree-awarding powers require HEFCE to seek the advice of the Quality Assurance Agency for Higher Education—the Minister made great play of that—but it is vital for the OFS to seek advice from a designated quality body prior to any conferring of degree-awarding powers and/or university title.

Amendments 40 and 41 are designed to underline points that were raised by my hon. Friend the Member for City of Durham (Dr Blackman-Woods) in a hugely important intervention about her own amendment 58. We need to shine a light on and distinguish between broad-based new providers and those that could go for opportunist, fast-buck courses, or those that are inefficiently structured or financed to do the things that my hon. Friend talked about. As she and others have said, there is huge concern in the HE sector about single-course universities. What has not been mentioned much—we talked about it in Committee—is the huge amount of public money that will go into those new providers, providing they jump through the hoops that the Government are putting in front of them. We contend that those hoops are inadequate. Because of that, we want to press the matter further. Amendment 40 requires the OFS to be assured about the maintenance of standards, students and the public interest before issuing authorisation to grant a degree. That is important. I give notice that we will press amendment 40 to a vote. Whatever the outcome, I assure the Minister that the issue is unlikely to go away and that he and his team will face further questions on it after the matter goes to the other place.

5.45 pm

I have spoken against something that the Government want to do. I want to speak now about new clause 15, which would set up a standing commission on the integration of higher education and lifelong learning, and to thank the Minister for the small but important movement there has begun to be in the Government on that issue and on the issue of part-time loans, which is being looked at and is an important part of that process. We should look—we discussed this at great length in Committee, so I will not go through all the statistics—at the dire situation that adult learners have been in since 2010 and the way in which so many of those learners have been disadvantaged, when we should be arranging for them to be reskilled and retrained to meet our economic and social objectives in the 21st century.

In a speech in the House of Lords, Lord Rees said that we needed to have a revolution in the way in which we formalise the system to more readily allow for transfers between institutions and between part-time and full-time study. The demand for part-time and distance learning will grow, speeded of course by the high fees now imposed on students at traditional residential university. Lord Rees, a former president of the Royal Society, is absolutely right. The time for action is now. That is why the Labour party and the Labour Front-Bench team have tabled that significant new clause. The standing commission on the integration of higher education and lifelong learning would set the course that was originally laid out by David Blunkett in “The Learning Age” Green Paper in 1998. That issue has been sadly side-lined until now, but lifelong learning and higher education are not a nice optional extra. They are fundamental to our economic productivity, to competing in a post-Brexit world, to our social cohesion, to rebuilding a belief in the value and dignity of work and to offering personal and practical fulfilment to ordinary working people and their families, opening doors to them—often opportunities have evolved for the middle classes and professional people—rather than their being stuck on the first rung of the ladder. That is what we want to do. We want to think about how we deliver these things locally and nationally.

We are not claiming that the structure that we want to put in the Bill is perfect. We have taken wide soundings from all sorts of groups—city and guilds, Unionlearn, the Open University, the Learning and Work Institute—and considered our own thoughts on these matters. I say to the Minister, “Go away, look at the new clause, which would do some of the things that you are talking about in terms of social mobility, and take it on board.” If the Government do not take it on board, we will do so; we will take it through to the House of Lords, we will take it out into the country, and we will put this issue of proper lifelong learning in higher and further education right at the top of the agenda.

On our amendments 46 and 47, much of what I would have said about why we need in particular to make sure the TEF is taken out of the hands of Whitehall and put far more centrally into the hands of Parliament have been illustrated in the excellent speech this afternoon from my hon. Friend the Member for Sheffield Central (Paul Blomfield), my hon. Friend the Member for Coventry South (Mr Cunningham) with his interventions, the hon. Member for Glasgow North West (Carol Monaghan) and others. We do not trust the Government with the TEF as it is because they have demonstrated ever since they introduced this Bill that whenever they had an opportunity to do something to keep control of the process and try and get things through that would not require legislation in detail, they have turned to the TEF as an automatic link with raising tuition fees. The Home Office has turned to the TEF, too, and is currently holding a sword of Damocles over the Government and all of us on the issue of international students. They have not turned to putting on the face of the Bill in any shape or form whether the TEF is going to be done on the basis of a whole university or school or subject area, and we have also heard from my hon. Friends of the many significant issues around the metrics in this area. It is a question of confidence and trust and parliamentary scrutiny, and that scrutiny is being denied under the present process.

My hon. Friends are right to say the vast majority of people in this country do not regard students as migrants, yet we could have a situation, as we have heard with the gold, silver and bronze issue, where these things are smuggled in, with dire consequences for our social cohesion, economic productivity and so many of the things we will need post-Brexit.

This move is vehemently opposed by the sector, and the Government seem to have managed to achieve an extraordinary conjunction in the way they brought the TEF forward by having annoyed and alarmed virtually every sector of the university world, whether it be the people employed in universities, those who study in them, those who manage them, the vice-chancellors who are at the head of them, or indeed their relatives, families and everybody else, who are now worried. We had a discussion about this in Committee, and the Minister talked about my views in I think about 2002 on teaching excellence. I have not changed my views on the importance of teaching excellence and a teaching excellence framework, but the teaching excellence framework which started out in this Bill as bad enough has now been malformed and deformed by the way in which it has been used, and is threatened to be used, to be not simply something that is completely useless but something that could be an absolute danger in all the ways I have described right at the heart of our university system.

We had to use some ingenuity to get even a discussion of the TEF in respect of the Bill, so cleverly had the Government gone about trying to keep it off the face of the Bill, but I am sure those issues around the TEF will be returned to, and with some significance and in no short order, when it goes to the other place. I therefore want to again place on record that we will be pressing our amendment 47 on the need for these measures to be continually subject to scrutiny by, and approval of, both Houses of Parliament to a vote.

**Joseph Johnson:** This has been a good debate and I am glad to have the chance to respond to some of the points made. Many points were made this afternoon, and I will not be able to address all of them, but I will do my best.

The hon. Member for Sheffield Central (Paul Blomfield) spoke passionately about amendment 51. We debated it in Committee, as he mentioned. He met my colleague, the Minister for the constitution, my hon. Friend the Member for Kingswood (Chris Skidmore), after the Bill Committee, and we also met my hon. Friend the Member for Bath (Ben Howlett), who is not in the Chamber at present, to discuss this issue. That is because we share the hon. Gentleman's aim of increasing the number of younger people registered to vote. We demonstrated our commitment to that cause by supporting, and contributing financially to, the pilot project at the University of Sheffield in the city he represents. That is why when we met him we undertook to encourage take-up of the initiative by other institutions by writing describing the outcome of the pilot to vice-chancellors. We also agreed that he should attend a formal roundtable meeting on student registration, and the Minister for the constitution promised to consider other ways registration could be increased. I regret that owing to a scheduling issue with one of the external stakeholders—not the Minister—we were unable to hold the meeting as planned, and we are actively looking to rearrange it, to fulfil the commitment we made to the hon. Gentleman at that meeting following the Bill Committee.

Amendment 37 seeks to widen the base of those the Office for Students should consult before it determines or changes the initial and ongoing registration conditions, to include staff and students as well as those representing the interests of English higher education providers. The Office for Students will take the views of students into account in all of its activities. It will consult on the initial and ongoing registration conditions as part of its wider consultation on the regulatory framework. Clause 68 makes clear that bodies representing the interests of students, and other such persons it considers appropriate, as well as bodies representing the interests of English higher education providers, should be involved in that consultation. It is my clear expectation that the Office for Students will strongly encourage providers to engage and consult with their key stakeholders, including staff and students, as a matter of good practice. The Office for Students itself will always listen to representations from students and staff if it thinks that that would add value. The amendment is therefore unnecessary.

Hon. Members made a number of points on new clause 9 and amendment 52 relating to international students. I recognise that the number of international students our higher education system attracts and the income they provide are key issues for the sector, so I understand the motivation behind this amendment.

However, I do not believe that the Bill is the appropriate vehicle for commissioning annual reports on the number of international students in UK higher education institutions and their economic impact. As I have set out, Government new clause 1 requires the Office for Students to monitor and report on the financial health of the English higher education sector in the round. To do that, the Office for Students will have a very clear picture of the number of international students and the income they bring, as the recent Higher Education Funding Council for England report did. In addition, clause 8(1)(b) requires all registered providers to give the Office for Students the information it needs to perform its functions. That will allow the Office for Students to gather information on international student numbers and income in the context of its duty to monitor financial health. In effect, new clause 1 and clause 8(1)(b) already achieve the policy intent of the amendments.

A wide range of information is also already in the public domain. The Higher Education Statistics Agency, for instance, already collects and publishes data on international students. Further to that, the Department for Education will shortly be publishing statistics on the value of education exports. As I mentioned to the hon. Member for Sheffield Central, the Home Office also publishes data, and its data show there has been a 14% increase in the number of international students coming to study in the UK since 2010.

Regarding new clause 14, I thank hon. Members for bringing this issue back to the House after it was raised in Committee, but I still do not believe that this Bill is the appropriate vehicle for commissioning research into post-study work. The Bill is focused on creating the structures needed to oversee higher education and research funding for many years to come. The scope of what this amendment proposes—a short-term piece of research on an element of migration policy—is not consistent with the scope and functions of UK Research and Innovation.

6 pm

The UK has an excellent offer for overseas students who graduate in the UK. International graduates can remain in the UK to work following their studies by switching to several existing visa routes, including tier 2 skilled worker visas. There is no cap on the number of students who can switch to a tier 2 skilled worker visa. Home Office figures show that, under our current provisions, more than 6,000 international students switched from a tier 4 to a tier 2 visa in the UK in 2015, up from 5,500 in 2014 and from around 4,000 in 2013. Britain remains the second most popular destination in the world for international students after the United States.

We have heard a lot of debate on the teaching excellence framework, and I will now respond to some of the points raised. First, on the question of the TEF and migration, I urge Opposition Members carefully to calm down and consider the Home Secretary's party conference speech. We want our universities to continue to attract genuine students from around the world. We have no plans to introduce any cap on the number of non-EU students who can come to the UK to study. No decisions have been made on tailoring or differentiating non-EU student migration rules on the basis of the quality of the higher education institution, or on how that might be achieved. As the Home Secretary announced in her speech, we will shortly be seeking views on the study

immigration route, and we encourage all interested parties to participate to ensure that every point of view is heard. New clause 12 is therefore unnecessary and premature, as the Government intend to seek views on the matter.

**Gordon Marsden:** I entirely accept the Minister's bona fides and commitments on this issue, but is it true that Home Office officials accompanying the Prime Minister on her visit to India were openly talking to people about using the bronze element of the TEF as a way of reducing the migration numbers for students?

**Joseph Johnson:** The visit to India, which I was honoured to be part of, was a big success in that it gave us numerous opportunities to reiterate our strong message that we welcome genuine students. There is no limit on the number of genuine students who can come and study at our world-class institutions, and there is no better place than the UK to receive a higher education. We want to see more such students coming to study here.

**Paul Blomfield:** I assure the Minister that we are very calm about this issue, but he could calm us further by explaining what the Home Secretary meant when she talked about the use of quality in relation to the visa system, and in particular when she said that she would be

"looking at tougher rules for students on lower quality courses." What does that mean?

**Joseph Johnson:** High-quality institutions are compliant institutions. We want compliance to be a strong feature of our system. It is important that the sector should do all it can to be compliant with Home Office regulations. The ability to bring students in on tier 4 visas is a privilege, not a right, and it comes with an obligation to ensure that students who come to this country to study follow the terms of their visas. The sector should welcome that because it wants a high-quality system of international study. The Government will be bringing forward a consultation paper in the coming weeks that will enable everyone across the sector, including the hon. Gentleman, to contribute their views on how best this can be achieved.

**Paul Blomfield:** The Minister talks about compliance. Why did the Home Secretary not talk about compliance? She talked about

"tougher rules for students on lower quality courses", but there was nothing about compliance. What did she mean by that?

**Joseph Johnson:** If the hon. Gentleman reads the Home Secretary's speech carefully, he will see that she did mention compliance. She mentioned compliance and quality. High-quality institutions are compliant institutions; they are one and the same.

**Carol Monaghan:** High-quality institutions could offer poor-quality courses, just as institutions with a bronze rating could offer extremely high-quality courses. How is the distinction going to be made?

**Joseph Johnson:** I urge the hon. Lady to wait for the consultation document. She will be able to assess the Government's proposals in due course when the Home Office is ready to publish them.

Amendments 46 and 47 would require greater parliamentary scrutiny of the TEF, but I do not believe that the content of the amendments is either necessary or proportionate. As I have said, the development of the TEF has been, and will continue to be, an iterative process—as the research excellence framework was before it. Requiring Parliament to agree each and every change to the framework would stifle its healthy development. The REF scheme is not subject to that level of oversight by Parliament, and nor should it be.

Hon. Members have talked about the "gold", "silver" and "bronze" descriptors as though they were new inventions from this Government. They are in fact familiar to the sector through their use in other areas. Such terminology is already used, for example, in the Athena SWAN awards and by Investors in People in many universities. In every case, bronze is still recognised as a high-quality award, while gold is reserved for the highest quality.

Amendment 49 would not add any value to the TEF framework that we have developed. Changing the TEF ratings would fundamentally undermine the purpose of the TEF by preventing students from being able to determine which providers were offering the best teaching and achieving the best outcomes. It would simply allow for a pass/fail assessment. The teaching excellence framework assesses excellence over and above a baseline assessment of quality, and our proposed descriptors will allow students, parents, schools and employers to differentiate clearly between providers. We have consulted on the proposed metrics and considered the evidence, and we still feel that these metrics represent the best measurements for assessing teaching. They are widely used across the sector.

Turning to amendment 50, we have consulted extensively on the metrics, as I have said, and made significant improvements. Setting out the requirement to consult in legislation would be unnecessarily burdensome. We have taken, and will continue to take, a reasoned approach to the metrics. Given the co-regulatory approach I have described, we would expect the OFS to take a similar approach.

I shall now address the points made on degree-awarding powers and university title. Let me be clear that only those providers that can prove they can meet the high standards associated with the values and reputation of the English HE system can obtain degree awarding powers. If a higher education provider can demonstrate their ability to deliver high-quality provision, we want to make it easier for them to start awarding their own degrees, rather than needing to have the degrees for their courses awarded by a competing incumbent. Maddalaine Ansell, the chief executive of the University Alliance, has said:

"These plans strike a healthy balance between protecting the quality and global reputation of our country's universities, whilst also encouraging innovation."

**Gordon Marsden:** The Minister might wish to comment specifically on new clause 4, but will he tell us why the Government are so reluctant to allow a process that has served the HE sector well since 1992 to be read across into the new arrangements for the OFS? I refer to the degree-awarding powers committee proposed in the new clause.

**Joseph Johnson:** In relation to new clause 4, we intend to keep the processes relating to the scrutiny of applications for degree-awarding powers—which have worked well to date—broadly as they are. That includes retaining an element of independent peer review for degree-awarding powers applications. I said as much in Committee. The processes are not currently set out in legislation to avoid being tied to a static process, and we intend to keep it that way. We have published a technical note on market entry and quality assurance that sets out more detail on the operation of the quality threshold.

Turning to new clause 7, our policy is that degree-awarding powers cannot be transferred or sold for commercial purposes, and we do not see that changing. If the holder of degree-awarding powers were involved in a change of ownership, or if complex group ownerships change, the provider would be expected to inform the OFS and to demonstrate that it remained the same cohesive academic community that was awarded degree-awarding powers and that it continued to meet the criteria for university title. We intend to consult on the detailed circumstances for when degree-awarding powers and university title might be revoked, including instances of changes of ownership, so there is no need for this new clause.

Turning to amendments 40 and 41, the OFS is already required under clause 2 to have regard to the need to promote quality when carrying out its functions. The OFS will therefore have regard to the need to promote quality when authorising providers to grant degrees. I reassure Members that we will, as now, ensure that the high standards that providers must meet in order to be able to make such awards are retained. One of the key criteria for obtaining degree-awarding powers is the ability to set and maintain academic standards, and we expect that to continue. As now, we want all criteria to set a high bar, and we plan to set them out in departmental guidance to which the OFS must have regard. The amendments are therefore unnecessary.

**Dr Blackman-Woods:** Will the Minister give the House some idea of when that guidance might be available?

**Joseph Johnson:** We plan to put out guidance in the coming months. The hon. Lady will be the first to receive it when it is ready.

Turning to amendment 58, we are absolutely committed to protecting the quality and reputation of our universities. We are not changing the core concept of what a university is and are not planning any wide-ranging changes to the criteria for university title. As now, we want only those providers with full degree-awarding powers to be eligible. Students make the choice where to study based on many factors—not only the qualification they will receive, but the cultural and social opportunities—and one size does not fit all. As independent and autonomous organisations, higher education providers are best placed to decide what experiences they want to offer to students and the local community. Like now, we intend to set out the detailed criteria and processes for gaining university title in guidance, not in legislation. We plan to consult on the detail prior to publication.

Several interesting points have been made in the debate on this group of amendments. Let me conclude by thanking hon. Members for their responses to the amendments that have brought forward to enshrine the

OFS's duty to monitor and report on financial sustainability, to ensure there is always an OFS board member to represent or promote the student interest, to promote institutional autonomy further, and to compel providers to publish student protection plans.

**Gordon Marsden:** I think the Minister is coming to his peroration, so I just wondered whether he will be able to make any comment on new clause 15 and lifelong learning.

**Joseph Johnson:** I touched on that at the start of my remarks. The Opposition proposed a commission for lifelong learning in new clause 15. The Government are obviously strongly committed to lifelong education, in which the Secretary of State and I have taken a close interest. Studying part-time and later in life brings enormous benefits for individuals, employers and the general economy. Alongside our higher education reforms, we are reforming further education, including implementing the skills plan that was published earlier this year and through the recent introduction of the Technical and Further Education Bill, which had its Second Reading last week.

As the hon. Member for Blackpool South is well aware, the Government committed in the last Budget to review the gaps and support for lifetime learning, including part-time flexible study. That review is ongoing. Higher education already offers flexible options for the thousands of mature students who want to study each year. In addition, much work is under way to expand access to lifelong learning through a variety of routes to suit learners. I am confident that those reforms, like others in the Bill, will continue to have a positive impact on learning—lifelong or otherwise.

*Question put and agreed to.*

*New clause 1 accordingly read a Second time, and added to the Bill.*

## New Clause 2

### STUDENT SUPPORT: RESTRICTED MODIFICATION OF REPAYMENT TERMS

“(1) Section 22 of the Teaching and Higher Education Act 1998 (power to give financial support to students) is amended in accordance with subsections (2) to (4).

(2) In subsection (2)(g) at the beginning insert ‘Subject to subsections (3)(A) and (3)(B),’.

(3) In subsection (2)(g) leave out from ‘section’ to the end of subsection (2)(g).

(4) After subsection (3) insert—

‘(3A) Other than in accordance with subsection (3B), no provision may be made under subsection (2)(g) relating to the repayment of a loan that has been made available under this section once the parties to that loan (including the borrower) have agreed the terms and conditions of repayment, including during—

(a) the period of enrolment on a course specified under subsection (1)(a) or (1)(b), and

(b) the period of repayment.

(3B) Any modification to any requirement or other provision relating to the repayment of a loan made available under this section and during the periods specified in subsection (3A) shall only be made if approved by an independent panel.

(3C) The independent panel shall approve modifications under subsection (3B) if such modifications meet conditions to be determined by the panel.

- (3D) The approval conditions under subsection (3C) must include that—
- the modification is subject to consultation with representatives of the borrowers,
  - the majority of the representative group consider the modification to be favourable to the majority of students and graduates who have entered loans, and
  - there is evidence that those on low incomes will be protected.
- (3E) The independent panel shall consist of three people appointed by the Secretary of State, who (between them) must have experience of—
- consumer protection,
  - loan modification and mediation,
  - the higher education sector, and
  - student finance.”—(*Wes Streeting*.)

*Brought up, and read the First time.*

**Wes Streeting:** I beg to move, That the clause be read a Second time.

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

New clause 3—*Student loans: regulation—*

“(1) Any loan granted under section 22(1) of the Teaching and Higher Education Act 1998, (“student loans”) irrespective of the date on which the loan was granted, shall be regulated by the Financial Conduct Authority.

(2) Any person responsible for arranging, administering or managing, or offering or agreeing to manage, student loans shall be regulated by the Financial Conduct Authority.”

New clause 5—*Revocation of the Education (Student Support) (Amendment) Regulations 2015—*

“The Education (Student Support) (Amendment) Regulations 2015 (Statutory Instrument No. 1951/ 2015) are revoked.”

*This new clause would revoke the Education (Student Support) (Amendment) Regulations 2015, which moved support for students from a system of maintenance grants to loans.*

New clause 6—*Higher Education loans: restrictions on modification of repayment conditions—*

“(1) A loan made by the Secretary of State to eligible students in connection with their undertaking a higher education course or further education course under the Teaching and Higher Education Act 1998 shall—

- not be subject to changes in repayment conditions retroactively without agreement from both Houses of Parliament;
- not be subject to changes in repayment conditions in the event of the loan being sold to private concerns, unless these changes are made to all loans, in the manner prescribed above;
- be subject to beneficial changes, principally to the repayment threshold, in line with average earnings.

(2) In section 8 of the Sale of Student Loans Act 2008, for subsection (1) substitute—

- “(1) Loans made in accordance with regulations under section 22 of the Teaching and Higher Education Act 1998 (c. 30) are to be regulated by the Consumer Credit Act 1974 (c. 39).”

*This new clause would ensure no retroactive changes could be made to student loan repayment conditions without agreement from both Houses of Parliament.*

New clause 8—*Access to support for students recognised as needing protection—*

“(1) Within six months from the day on which this Act comes into force, the Secretary of State must, by regulations made under the Higher Education Act 2004 and the Teaching and

Higher Education Act 1998, make provision for financial support for higher education courses offered to students with certain immigration statuses.

(2) The regulations specified in sub-section (1) must include, but shall not be restricted to—

- provision for persons who have been brought to the UK under the Syrian Vulnerable Persons Relocation Scheme, or any equivalent scheme, and their family members to access student loans on the same basis as refugees recognised in-country, and
- provision for persons who have claimed asylum and been granted a form of leave to remain in the UK to be eligible for—
  - home fees for a higher education course if they have been ordinarily resident in the United Kingdom and Islands since being granted leave, and
  - student loans for a higher education course, if—
    - they have been ordinarily resident in the United Kingdom and Islands since being granted leave, and
    - are ordinarily resident in the United Kingdom and Islands on the first day of the first academic term of that course.

(3) In this section—

‘home fees’ means fees for a higher education course charged to persons considered as ‘qualifying persons’ under regulations made under the Higher Education Act 2004;

‘student loans’ means loans made to students in connection with their undertaking of a higher education course under the Teaching and Higher Education Act 1998.”

*This new clause would allow all refugees resettled to the UK, as well as people seeking asylum granted forms of leave other than refugee status, to access student finance and home fees.*

New clause 10—*Student support: requirement to assess repayment terms—*

“(1) The Teaching and Higher Education Act 1998 is amended as follows.

(2) In Section 22 (new arrangements for giving financial support to students)—

- in subsection (3)(b), after “and” insert “subject to subsection (3A)”
- after subsection (3) insert—
 

‘(3A) Regulations under subsection (3)(b) must include a level of earnings below which a person shall not be required to make repayments of such a loan.’

(3) After Section 22 insert—

‘(22A) Duty to assess consumer prices in determining terms for loan repayments

- In relation to regulations made under section 22(3A) the Secretary of State must, for each tax year, review UK consumer price inflation for the period since the last review under this sub-section.
- If the review concludes that consumer prices for the previous tax year have increased, the Secretary of State shall, by order, amend the level of earnings specified in regulations made under sub-section 22(3A) by the same percentage increase as consumer price inflation determined under sub-section (1).
- If the Secretary of State is not required to make an order under this section, the Secretary of State shall lay before each House of Parliament a report explaining the reasons for arriving at that determination.

(4) For the purpose of this section—

‘consumer prices’ means the Consumer Price Index; ‘consumer price inflation’ refers to the annual assessment made by the Office for National Statistics in the UK consumer price inflation Statistical bulletin.”

Government amendments 14 to 16 and 20.

6.15 pm

**Wes Streeting:** I am grateful for the opportunity to move new clause 2 and to speak to the other new clauses concerning student finance.

Millions of people across the UK have been mis-sold loans and will end up paying thousands of pounds more than expected as a result. The perpetrator of the mis-selling scandal is not an unscrupulous high street bank or a payday lender; it is our own Government. The victims are current students and graduates who were sold student loans on the basis of false assumptions and broken promises.

For the vast majority of students in England and the rest of the United Kingdom, Government-backed loans are an essential source of financial support to cover the cost of their tuition fees and the substantial costs associated with their studies, such as the rising cost of university accommodation, food and subsistence, course materials, and making the most of their student experience. In England, students are able to take out a tuition fee loan of up to £9,000 a year and an additional maintenance loan to cover living costs of up to £11,000 a year. As a result, English students now graduate with the highest levels of debt in the western world. Following the Government's decision to axe non-repayable student grants for the poorest students, those from lowest-income households, scandalously, graduate with the most debt. It is a terrible iniquity in the system and one that I am glad to see the Opposition Front-Bench team addressing this afternoon.

Many students will not have forgotten that the decision to scrap student grants was not taken in this House, but down the corridor and up the stairs through a statutory instrument in a Committee of which most people have never heard. That is not how the Government should take major decisions on student finance. Students and their families were sold loans on the basis of a series of simple promises from Ministers: loans will be repaid only once students have left university; they will be repaid only after graduates start earning over £21,000 a year; graduates will repay 9% of everything earned above £21,000 a year; and the £21,000 figure will be updated each year in line with average earnings from April 2017.

Around this time last year, however, buried in the fine print of the previous Chancellor's autumn statement was an announcement that the repayment threshold will remain frozen at £21,000. As a result, graduates will end up paying more each month and thousands of pounds more over the 30-year lifetime of their loans. Worst of all, the change will affect not only future students, who can consciously decide to sign up to those repayment conditions, but thousands of existing students and graduates who took out their loans in good faith on the promise that the repayment threshold would increase from 2017. Not only does that retrospective change fly in the face of the principles of good governance, but it is deeply regressive. It is estimated that around half of graduates will never pay off their loans before their debts are written off by the Government. Such graduates, by definition on lower and middle incomes, will end up paying back thousands more over the lifetime of their loan, whereas the richest graduates will be able to repay their debts more quickly and accrue less interest.

Financial experts and advisers are rightly furious. In an astonishing performance in a Bill Committee evidence session, Money Saving Expert's Martin Lewis described

the Government's decision to break their commitment to students as "abominable and disgraceful". The Government will argue that the small print of student finance regulations makes the change entirely permissible and reasonable, but as Martin Lewis told the Committee:

"Looking at students as consumers, if they had borrowed money from a commercial lender, the Financial Conduct Authority would have struck out in a second the idea that, five years after announcing that the repayment threshold would go up from £21,000 in April 2017 with average earnings, that would be frozen."—[*Official Report, Higher Education and Research Public Bill Committee*, 6 September 2016; c. 38, Q55.]

It is important to bear in mind that the Government's promise to students and applicants was not just in the marketing material of Government and of universities, which understandably assumed that the commitments would be lasting, but written in black and white by the former higher education Minister, now Lord Willetts. Having worked with Lord Willetts over a number of years, I have no doubt that he made that undertaking in good faith. He could not have possibly known that a future Chancellor, or a future Government, would not only break that commitment, but apply it retrospectively.

Banks would not get away with mis-selling on this scale, and neither should our Government. I have teamed up with Martin Lewis to put forward amendments to the Bill. The amendments, which I am delighted to say have cross-party support, will prevent Ministers from making retrospective changes to student loans that would penalise existing students and graduates.

New clause 2 would put in place some architecture through the appointment of three independent advisers, who would look carefully at any proposals that, retroactively, make changes to student loan repayment conditions. They would apply a number of tests: is it to the benefit of the majority of graduates; do the Government believe that to be the case as a result of consultation; have the Government made a case that the proposal would be progressive in effect; and would it help some of the most disadvantaged students or graduates? If those conditions are passed, the Government might be able to proceed, because, clearly, this House would not want to prevent the Government from making positive changes that would benefit graduates. What those tests would do is prevent Ministers from behaving as the previous Chancellor did, which was to make changes in the small print of the autumn statement and apply them retrospectively after commitments have been made in good faith.

New clause 3 would also bring student loans within the scope of the Financial Conduct Authority. Despite the existence of an independent student loans company, Ministers have still found ways to flout regulations for the benefit of the Treasury and to the detriment of students and graduates, which is really quite appalling.

**Paul Blomfield:** My hon. Friend is making an extremely powerful case. Does he not think that, had this happened in another context, the behaviour might have been described as fraudulent?

**Wes Streeting:** I entirely agree with my hon. Friend, which is why the student loans system should be brought within the scope of the Financial Conduct Authority. Had a high street bank or a payday lender behaved in such a way, there would be outrage everywhere, including in this House. The Financial Conduct Authority would mount an investigation. The Treasury Committee, of which

I am a member, would ask questions. It seems that a Chancellor can just decide to save a few quid in the autumn statement and make retrospective changes that would penalise existing students and graduates.

This is an issue not just of fairness and equity for existing borrowers, but fundamentally of trust. What is to stop future Governments from making changes further down the line about all manner of things, including interest rates, repayment periods, tapers and thresholds? On that basis, how can current or prospective students have confidence that promises being made today will be kept tomorrow? To be honest, this is a very personal issue for me. Some years ago, Martin Lewis, from Money Saving Expert, and I agreed to work with the coalition Government on an independent taskforce on student finance information. Martin was invited to take part because of his widespread reputation as one of the most trusted people in the country when it comes to financial advice and saving consumers money. It was felt, quite rightly by Lord Willetts—then the higher education Minister—that Martin would be an independent voice on those matters and someone whom people could trust. Martin then asked me to work with him as his deputy, with Lord Willetts' agreement, on the basis that I had recently completed my term as president of the National Union of Students.

Although I opposed the decisions that had been taken by successive Governments around higher education funding and student finance, I believed that it was critical to take part. I thought it would be appalling if a single student was deterred from applying to university on the basis of misunderstanding the information. If students look at the information and the student finance system and decide to make a different choice, that is for them, but I thought that it would be a travesty if a single student was deterred on the basis of misunderstanding and misinformation.

We went round the country visiting schools, colleges and universities and we appeared in the media, promoting the Government system—not on its merit, but on the facts of the system. We served what I thought was an important public duty and purpose, but we were misled—inadvertently—which means that we therefore misled students and graduates up and down the country. We told them that the repayment threshold would go up in line with earnings from April 2017; that is what we were told by Ministers at the time. That is what students, teachers, parents, family members and advisers were also led to believe.

The Government need to reflect very carefully on what message it would send to each of those groups if future Governments can come along and retrospectively change the system to suit the Treasury. It is a terrible, terrible precedent that undermines trust not just in the student finance system, but in politics as a whole. We are not so far from a general election, or indeed from a referendum campaign, to know that trust in politics in this country is at rock bottom. People do not trust politics and they do not trust politicians. From my experience of this place in the past 18 months, I can say that, for all our disagreements, I have great pride in our political system and in the way in which it works. However, when it comes to decisions such as these, I completely understand why politicians are held in such low regard. On too many occasions, politicians have said one thing and done another. On higher education and student finance,

politicians have said one thing and done another. Since the coalition Government put their reforms through, with cross-party agreement and with—to be fair to them—concessions to the Liberal Democrats in government, every single concession has been undone. Student grants have been scrapped. The emphasis on widening participation in a number of respects is now weaker. Now we find that many of the actual repayment conditions, which the right hon. Member for Sheffield, Hallam (Mr Clegg) would argue were some of the more progressive elements of the system, are also being undone. This is an issue about trust not just in the student finance system, but fundamentally in politics as a whole. Martin Lewis says:

“If you sign a contract, both sides should keep to it. If you advertise a loan, the lender should be held to the terms it was sold under.”

It is a total disgrace that, although the UK is widely regarded around the world for its excellent laws and regulatory environment, there seems to be one exception, which is student loan contracts. That is why I hope that, this week before this change kicks in, the new Chancellor will take the opportunity to reverse the decision in his autumn statement. The Chancellor and the Prime Minister could go some way to rebuilding trust in politics. I also urge the Government to support new clauses 2, 3 and 6, which would ensure that no Government could be tempted to behave in this way again. It is scandalous and unjustifiable and it sets a very dangerous precedent. That is why I hope that we will see some progress on this today.

**Joseph Johnson:** When we reformed student finance in 2011, we put in place a system designed to make higher education accessible to all. It is working well: total funding for the sector has increased and it is forecast to reach £31 billion by 2017-18. It is vital to our future economic success that higher education remains sustainably funded.

Last year, the current Leader of the Opposition announced that he was keen to scrap tuition fees. Senior Labour party figures have criticised that, saying that it was not a credible promise to make, with Lord Mandelson, among others, noting that Labour had

“to be honest about the cost of providing higher education.”

Of course, it was not just Lord Mandelson. The former shadow Chancellor, Ed Balls, went further when he noted that his party's failure to identify a sustainable funding mechanism was a “blot on Labour's copybook”.

6.30 pm

The Opposition need to explain how they would fund their alternatives. The Labour party has said that scrapping tuition fees and restoring maintenance grants would cost £10 billion. At a conservative estimate, this would cost £40 billion over a five-year Parliament. Not allowing high-quality institutions to increase their fees by inflation would deprive the sector of a further £3 billion by the end of this Parliament, but Labour would like to go further still. Increasing the repayment threshold for post-2012 student loans by average earnings would cost more than £6 billion by the end of this Parliament. Uprating it for all loans would cost over £7 billion. Where is all this money going to come from?

By contrast, the OECD has praised our student loan system that this Government introduced in England. It said that we are

“one of the few countries to have figured out a sustainable approach to higher education finance”.

**Paul Blomfield:** The Minister is talking about the affordability and sustainability of systems. Does he acknowledge that when the proposals to change the student funding system were put to this House back in 2012, it was on the understanding from his predecessor, Lord Willetts, that the resource and budgeting charge—the uncollectable level of student debt—would be at around 28%? That prediction was rubbished by many experts in the sector and from the Opposition Benches, and gradually, over the lifetime of the Parliament, the percentage went up into the 30s and the 40s, to the point where it became unsustainable. The unsustainability of the system that the Government created was then dealt with by imposing that burden on students by varying the charges and the deal on student loans in the way that my hon. Friend the Member for Ilford North (Wes Streeting) described.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Short interventions, please.

**Joseph Johnson:** The estimation of the RAB charge is still broadly in that ballpark, with the current estimate being between 20% and 25%, so it is not substantially different.

On new clause 2, the hon. Member for Ilford North (Wes Streeting) suggested that an independent panel should approve any changes to terms and conditions for student loans. However, the key terms and conditions governing repayment of the loan are set out in regulations made under section 22 of the Teaching and Higher Education Act 1998. The repayment regulations are subject to scrutiny under the negative procedure, which allows Parliament to call a debate on any amendments. It is right that Parliament, rather than an unelected panel, should continue to have the final say on the loan terms and conditions.

**Wes Streeting:** I anticipated that the Minister would point out how permissive the terms and conditions were, which is why I suggested that student loans should be regulated by the Financial Conduct Authority. The sad truth is that I agree with him. As new clause 6 suggests, Members of both Houses should have a role in shaping the terms and conditions, but Ministers, whether in the Treasury or the Department for Education, have shown that they cannot be trusted to hold to their word. That is the indictment and that is why the amendment was tabled.

**Joseph Johnson:** The hon. Gentleman mentioned the Financial Conduct Authority. I remind him that it was under the Labour Government that Parliament was invited to confirm, as it did, that student loans were exempt from regulation under the Consumer Credit Act 1974 when the then Labour Government passed the Sale of Student Loans Act 2008. The hon. Gentleman should look back at his own party's record on the issue.

New clause 3 proposes that student loans should be regulated by the Financial Conduct Authority. I share the hon. Gentleman's desire to ensure that students are protected, but student loans are not like the commercial loans of the sort regulated by the FCA. They are not

run for profit and are available to all, irrespective of their financial history. Repayments depend on income and the interest rate charged on them is limited by legislation. The loans are written off after 30 years with no detriment to the borrower. By contrast, lenders regulated by the FCA are obliged to assess the credit-worthiness of all their borrowers, and the affordability and suitability of the loan product for each borrower. Were the FCA to regulate student loans, that could affect the ability of some students to obtain them.

**Wes Streeting:** It would be perfectly possible for the FCA to regulate within the scope of the student finance system. The Minister talks about the suitability of borrowers; I am talking about the suitability of lenders to keep their word. I am not asking for the FCA to regulate students. I am asking for the FCA to regulate Ministers, who cannot be trusted.

**Joseph Johnson:** The key terms and conditions are set out in legislation—it is the law that binds us—and are subject to the scrutiny and oversight of Parliament. FCA regulation is therefore unnecessary, as students are already protected. Our system allows the Government, through these subsidised loans, to make a conscious investment in the skills base of our country. I should have thought that Labour Members would welcome that.

New clause 5 would revoke the 2015 student support regulations. These regulations replaced maintenance grants with loans, which increased support for students on the lowest incomes by over 10%. Revoking these regulations would reduce the support available for students from some of the most disadvantaged backgrounds, while costing the taxpayer over £2.5 billion per year. Opposition scaremongering about this policy risks deterring students from attending university. The sustainable system that we have put in place has enabled us to remove the cap on student numbers and offer more support for living costs than ever before.

New clauses 6 and 10 would require the repayment threshold for all income-contingent student loans to increase in line with either earnings or prices. Loan repayments continue to be based on the ability to pay, and graduates earning less than £21,000 were not affected by the threshold freeze. Those who benefit from a university education are likely to go on to earn more than taxpayers who do not go to university, so it is only fair that graduates should contribute to the cost of their education. Uprating the repayment threshold for all income-contingent student loans, as new clause 6 proposes, would cost about £5 billion in the first year due to a reduction in the value of the loan book. Thereafter, it would increase the resource account and budgeting charge by about 7%.

**Sir Peter Bottomley (Worthing West) (Con):** Is that £5 billion a capital estimate of the value of the loan book or is it the annual running cost?

**Joseph Johnson:** That represents a decrease in the capital value of the loan book.

The cost of uprating by the consumer prices index, as new clause 10 proposes, would be less, but still significant. These costs would need to be paid for by taxpayers, many of whom will be earning less than the graduates who would benefit from the threshold increase.

New clause 10 relates to access to support for students recognised as needing protection. This is an important issue which was raised by the hon. Member for Sheffield Central (Paul Blomfield) in Committee, and is already addressed, as we have discussed, within the student support regulations. I am pleased to say that those who come to this country and obtain international protection are already able to access student support. Our regulations have for some time included provision for those granted refugee status or humanitarian protection, and their family members.

Those persons entering the UK under the Syrian vulnerable persons relocation scheme, and granted humanitarian protection, will be eligible, like UK nationals, to obtain student support and home-fee status after only three years' residence in the UK. Persons on the programme are not precluded from applying for refugee status if they consider that they meet the criteria. Those with refugee status are uniquely allowed to access student support immediately, a privilege not afforded to UK nationals or those granted other forms of leave. There is a distinction in international law between such status and that of those in need of humanitarian protection.

Recently the Supreme Court upheld the Government's policy of requiring most persons, including UK citizens, to be ordinarily lawfully resident in the UK for at least three years immediately prior to starting their course in order to be eligible for student support. The amendment would allow people who may subsequently be required to leave the country to access taxpayer funding for their study.

The last group of amendments includes some technical Government amendments relating to alternative student finance. Unless hon. Members show an interest in them, I will move on to my conclusion.

This Government are committed to a sustainable and fair student funding system. We are seeing more people going to university than ever before, and record numbers of students from disadvantaged backgrounds. Our funding system has enabled us to lift the cap on student numbers and, with it, the cap on aspiration that it represented. I hope the Opposition can see that if their amendments were not pressed, the student funding regime would remain sustainable, working in the best interests of students and taxpayers.

**Paul Blomfield:** The Minister briefly addressed new clause 8, although in anticipating it, he understated and, to some degree, misrepresented the actual position. Let me therefore explain the new clause, for which I think there is support on both sides of the House—I think there was some discomfort on the Government Benches in Committee when it was voted down.

New clause 8 would allow all refugees resettled to the UK, as well as those young people who, having made an application for asylum, are granted a form of leave other than refugee status, to access student finance and home fees. It would be of particular benefit to Syrian refugees resettled to the UK under the Government's own policy, so it is perhaps not surprising that there is support for it on both sides of the House. Only small numbers of people would be affected, but as those of us who have dealt with such cases know, it would have a huge impact for the individuals.

Let me explain the context. Currently, individuals with refugee status can access student finance and qualify for home-fee status from the moment they are awarded

their protection. That is where the Minister was economical with the truth in his comments about the new clause, because those with a slightly different status—that of humanitarian protection—are treated differently: they have to be able to show that they have been ordinarily resident for at least three years at the start of the academic year to be able to receive financial support.

The group most affected by that different definition are those Syrian refugees currently being resettled to the UK under the vulnerable persons resettlement programme, as they are granted not refugee status but humanitarian protection. The result is that a young Syrian refugee who arrives in the UK today would not qualify for student finance until the start of the academic year in 2020. The only exception is if they are resettled to Scotland, where the Scottish Government—I commend them for this—have introduced a special fee status for resettled Syrians, allowing them immediate access to student finance.

Subsection 2(a) would ensure that all resettled refugees, no matter what status they are given, and no matter where they live in the UK, could access student support immediately. Subsection 2(b) would make student finance available for those who are granted humanitarian protection after making an application for asylum. As set out in the immigration rules, humanitarian protection is granted to people who face a real risk of suffering harm if they return to their home country. That includes the risk of facing the death penalty, torture or inhumane treatment, or their lives being at risk due to armed conflict. Now, the future of those who are granted humanitarian protection after applying for asylum is clearly in the UK. If their future is here, they should be enabled to build their lives here. They should be allowed to access university education not simply to build their lives but to contribute fully to our society.

Subsection 2(b) would also provide access to student finance and home-fee status for people who have applied for asylum and then been granted another form of immigration leave. Again, in these cases, the Government have accepted that the immediate future of these individuals is in the UK, so they should be given every opportunity to contribute and develop, yet they face significant hurdles in doing so. The reason is that, in 2012, the last Government changed the rules so potential university students in this situation could no longer access student finance. They would also have been reclassified as international students, meaning they would face higher fees.

Unsurprisingly, the Supreme Court found that the Government's rules were discriminatory. I realise the Government have not been doing very well in the courts recently, but this is a slightly earlier case—the Tigere case. As a result of the Supreme Court ruling against the Government, the Government changed the rules and introduced the new criterion of long residence. What that means is that young people who have gone through the asylum process—including children who arrived as unaccompanied asylum-seeking children—and who are unlikely to meet the long residence criterion, will have to watch their school peers go off to university, leaving them behind.

6.45 pm

**Wes Streeting:** I have a constituent in just that position. They went through school, they did well, they were ready to go to university and they had a university place secured, but they were told that they had not yet met the

[*Wes Streeting*]

esidency requirements. They are going to be sitting around for another year or two, waiting until they do meet the residency requirement. That is a waste of their time, a waste of their potential and a waste of everybody else's time. That is the perverse situation we are in, isn't it?

**Paul Blomfield:** My hon. Friend is absolutely right. Not only is this a waste for the individual, but we as a society are cutting off our nose to spite our face. It is a waste of potential for all of us, when we could benefit from that person's higher education.

New clause 8 is not about creating special circumstances for refugees—the Minister falsely contrasted the position on refugees, humanitarian protection and UK students—and others who have arrived in the UK seeking asylum. Instead, it is about removing the existing barriers preventing young people who came to the UK seeking protection, and who are capable of attending university, from fulfilling their potential, so I urge him to think again.

**John Pugh:** I rise to add a brief footnote to new clause 10, which is in my name, and to say things that other people in the room possibly cannot say.

Liberal Democrats hesitate, for some reason, to talk about university fees. I have no particular embarrassment—I voted against top-up fees under Labour, and I voted against the increases under the coalition. In both cases, though, I made dire predictions about take-up, which certainly were not fulfilled, and take-up in both cases carried on. Unfortunately, I was right in my predictions about the political consequences of breaking our contract with the electorate. I believe we were tricked into that by a very clever Chancellor, and there was very little saving in the end to the Exchequer, contrary to what some of my colleagues supposed at the time.

It was a painful process, and the hon. Member for Ilford North (*Wes Streeting*), who introduced this section of the debate, pointed out that it involved a certain number of concessions to the Liberal Democrats. What we are looking at now is the elimination bit by bit, piece by piece of those concessions, starting with grants and moving on to access and so on. So the policy has clearly worsened, and what we have currently, with the raising of the threshold, is nothing short of a scandal. A contract has been broken; there has been a one-sided redefinition of the terms of the loan. In any other context, as Martin Lewis quite correctly said, that would lead to legal action. The only reason legal action is not possible in this case is the small print, which, as far as most undergraduates are concerned, was very, very small indeed.

New clause 10 is simply an attempt to avoid a repetition of that bad situation by defining a minimum level of earnings and a mechanism for adjusting it in a rational, open way. It would avoid partiality, exploitation, misunderstanding and—the hon. Gentleman mentioned this briefly—the lack of trust, which is absolutely crucial. That, surely, is the way to go.

**Gordon Marsden:** I rise to speak to Labour's new clause 5, which would revoke the Education (Student Support) (Amendment) Regulations 2015, which moved support for students from a system of maintenance grants to loans. I also rise to speak to Labour's new clause 6, which follows on from the excellent speech made by my hon. Friend the Member for Ilford North (*Wes Streeting*) on new clauses 2 and 3.

At a time when the Government's own Social Mobility Commission reported only last week that our nation is facing a crisis in social mobility, it is a travesty that I have to stand here today to talk about the problems caused by scrapping maintenance grants and replacing them with a further loan, disproportionately affecting students who come from a low-income background. As this House knows, students in the UK already face the highest levels of student debt in any European country. Figures from the Institute for Fiscal Studies show that the average student in the UK will leave university saddled with £44,000-worth of debt, and the Sutton Trust has suggested that the figure could go even higher. This figure is only the average; for students from low-income backgrounds, it will be much higher, and these changes will make it higher still.

Labour Members have pledged to bring back the maintenance grant. My hon. Friend the Member for Ashton-under-Lyne (*Angela Rayner*), in the Bill Committee and recently at the Labour party's north-west conference, gave powerful testimony as to why that is. It is not just because we cannot afford to lose these people from our economic process, or just because it will help to aid social mobility generally; it is because by doing so we will empower hundreds of thousands of people who will otherwise lose their life chances, or be in danger of that, under this process. There were half a million students in the last year before the Government scrapped the grant, many of whom were in higher education in further education colleges. If a significant number of those students do not take out loans because, for a variety of reasons, they do not wish to do so or are unable to do so, we will increase still further the progressive weakening that this Government have put on to the higher education and FE sector, which is currently servicing some 34,000 students who got the grant in the last year before the Government scrapped it, including a significant number of people in my own constituency pursuing higher education at the excellent Blackpool and The Fylde College.

The Government—I give credit to them for it—have put into the Bill the ability for FE colleges to have their own degree-awarding powers, and Blackpool and The Fylde College is one of those, but it is rather perverse then to introduce something that will weaken the support for such colleges. The Government seem not to think in holistic terms about further education. Taking people in higher education in further education colleges out of the equation will weaken the economic and social base of those colleges. The Government do not give anywhere near enough attention to that.

**Jo Churchill:** Will the hon. Gentleman give way?

**Gordon Marsden:** Briefly.

**Jo Churchill:** Will the hon. Gentleman allude to how Labour intends to pay for all these benefits, because I think I am right in saying that it was to be via corporation tax?

**Gordon Marsden:** The hon. Lady must be a mind reader because I am just coming to on that issue.

Bringing back the maintenance grant would help to enable over half a million students from low and middle-income backgrounds to go on to higher education.

Rumour has it that in the autumn statement this coming Wednesday, the Chancellor is set to announce a further cut in corporation tax, helping only those at the top. We are asking the Government to reconsider this position. Our policy, which has been costed, of bringing back grants would be the equivalent of a rise of less than 1% in corporation tax. Do the Government not believe that this rise would be more beneficial to our nation as a whole—

**Jo Churchill:** Will the hon. Gentleman give way?

**Gordon Marsden:** No, I will not—the hon. Lady has had one go. Let me proceed because we do not have a lot of time.

Do the Government not believe that that rise would more beneficial to our nation as a whole than pushing ahead with a policy that benefits only a relatively small number of large corporations, and not even a big range? If the Government are serious about supporting social mobility, they need to do something about it. The Minister, in a rather Panglossian way, went on about all the terrible things that were predicted when loans were introduced not having come to pass, but that is actually not true, or certainly not true across the board. We have seen what a disaster the introduction of advanced learning loans for level 3 was for over-24-year-olds. Only 50% of the £300 million that was allocated for them was taken up, and that money has been sent straight back to the Treasury. Now, unabashed, the Government want to serve up the same recipe to 19 to 24-year-olds.

“Nudge” has been a fashionable word in the Conservative party in recent years—indeed, Lord Willetts wrote quite a lot about it—but it is possible to nudge people away from things as well as towards them. As the Minister well knows, the quality impact assessment on grants and loans let the cat out of the bag on the difficulties that would be faced by all the groups who desperately need access to higher education, such as women, disabled people, people from the black and minority ethnic communities, and care leavers. No wonder Ministers were so keen to bury this issue in a Delegated Legislation Committee. It took our efforts in bringing it to an Opposition day debate at the beginning of the year to have a decent debate on it.

The Government need to think again on this. I give notice that we will press our new clause 5 to a vote.

**Jo Churchill:** Will the hon. Gentleman give way for two seconds?

**Gordon Marsden:** For two seconds, yes.

**Jo Churchill:** How does the hon. Gentleman explain the fact that covering the figure of £12 billion would mean a rise in corporation tax of between 4% and 5% rather than the 1% that he stated? Is it not the case that surely we need business and industry to be making money in order to create the jobs and opportunities for students once they leave education?

**Gordon Marsden:** That was a hell of a lot more than two seconds, but I forgive the hon. Lady. We need to look at this issue in the context of our proposal, to which I have already alluded.

New clause 6 deals with yet another regressive policy that has been highlighted during the passage of this Bill. My hon. Friend the Member for Ilford North spoke

about some of the significant issues in this regard. The students affected will end up having to pay more than they were loaned as a greater proportion of their income. To those who have, more will be given, because they can pay their loans back more speedily; from those who have not, more will be taken. The Government seem to have been disregarding in their education policy the fact that there is a regional and demographic dimension to this as well. Constituents of mine taking up a graduate job in the past 12 months will have had a more reasonable ability to hit a threshold that was supposed to be uprated on a regular basis. Students in parts of the country where starting incomes for graduates are much lower than in London and the south-east will be particularly badly hit by this proposal.

**Sammy Wilson (East Antrim) (DUP):** Does the hon. Gentleman accept that the situation he describes particularly hits students in places like Northern Ireland where starting salaries are much lower? Does he also accept that the Minister’s point about the affordability of this is a red herring, because when the loans were sold to students, surely the cost of raising the thresholds was taken into consideration? The Government cannot now go back and say, “We want to rewrite the rules.”

**Gordon Marsden:** The hon. Gentleman is absolutely right, as he is to make that point about the situation for students in Northern Ireland. When we discussed this matter in the Opposition day debate and again in Committee, we made the point that students in Northern Ireland, Wales and Scotland—the students of all of the devolved Administrations—would be affected by this process. It is nonsense for the Government to say that this will not make any difference. The Minister said to my hon. Friend the Member for Sheffield Central (Paul Blomfield) that the RAB charge was now okay, but as my hon. Friend said, it is only okay because this Government—the Minister and the rest of his colleagues—have created a Frankenstein’s monster that is going to cause problems for so many thousands of students.

7 pm

I cannot better the powerful speech that Martin Lewis made when he came to give evidence to the Committee. The Minister may feel that new clause 6 is unnecessary because his Government would never renege on their promises to students or retrospectively change the terms of a loan agreement. Unfortunately, they have already done so once. We would prefer both Houses of Parliament to look at this when such changes are made by the Government. We therefore want the Government to respond on new clause 6, and if my hon. Friend the Member for Ilford North pushes new clause 2 to a vote, we will support him. We give the Government fair warning that, whatever the result of the vote in the House tonight, I am sure this subject will get a very strong airing in the House of Lords, because it is economically, morally and socially indefensible.

*Question put, That the clause be read a Second time.*

*The House divided: Ayes 180, Noes 278.*

**Division No. 87]**

**[7.1 pm**

**AYES**

Abbott, Ms Diane  
Alexander, Heidi

Ali, Rushanara  
Allin-Khan, Dr Rosena

Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Berger, Luciana  
 Betts, Mr Clive  
 Blackman-Woods, Dr Roberta  
 Blenkinsop, Tom  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brennan, Kevin  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Butler, Dawn  
 Cadbury, Ruth  
 Campbell, rh Mr Alan  
 Campbell, Mr Gregory  
 Carmichael, rh Mr Alistair  
 Chapman, Jenny  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Coyle, Neil  
 Crausby, Mr David  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 Danczuk, Simon  
 David, Wayne  
 De Piero, Gloria  
 Doughty, Stephen  
 Dowd, Jim  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Ms Angela  
 Eagle, Maria  
 Efford, Clive  
 Ellman, Mrs Louise  
 Elmore, Chris  
 Evans, Chris  
 Farrelly, Paul  
 Farron, Tim  
 Ffello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Flynn, Paul  
 Fovargue, Yvonne  
 Furniss, Gill  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Harris, Carolyn  
 Hayes, Helen

Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Howarth, rh Mr George  
 Hunt, Tristram  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Jones, Gerald  
 Jones, Helen  
 Jones, Mr Kevan  
 Kane, Mike  
 Kendall, Liz  
 Kyle, Peter  
 Lavery, Ian  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lucas, Ian C.  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McInnes, Liz  
 McMahan, Jim  
 Mearns, Ian  
 Mulholland, Greg  
 Murray, Ian  
 Nandy, Lisa  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Paisley, Ian  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Gavin  
 Rotheram, Steve  
 Ryan, rh Joan  
 Shah, Naz  
 Sherriff, Paula

Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smyth, Karin  
 Starmer, Keir  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Stuart, rh Ms Gisela  
 Tami, Mark  
 Thomas, Mr Gareth  
 Thornberry, Emily

Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Umunna, Mr Chuka  
 Vaz, Valerie  
 Watson, Mr Tom  
 West, Catherine  
 Whitehead, Dr Alan  
 Williams, Mr Mark  
 Wilson, Sammy  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Zeichner, Daniel

#### Tellers for the Ayes:

Vicky Foxcroft and  
 Jeff Smith

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 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  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Carswell, Mr Douglas  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Churchill, Jo  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Collins, Damian  
 Colville, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 Freeman, George  
 Freer, Mike  
 Fuller, Richard  
 Gale, Sir Roger  
 Garnier, Mark  
 Gauke, rh Mr David  
 Ghani, Nusrat  
 Gibb, Mr Nick  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goodwill, Mr Robert  
 Graham, Richard  
 Grant, Mrs Helen  
 Gray, Mr James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine

Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 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  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lidington, rh Mr David  
 Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen

Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robinson, Mary  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert

Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 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  
 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  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wright, rh Jeremy  
 Zahawi, Nadhim

#### Tellers for the Noes:

Mark Spencer and

Jackie Doyle-Price

*Question accordingly negatived.*

#### New Clause 5

##### REVOCATION OF THE EDUCATION (STUDENT SUPPORT) (AMENDMENT) REGULATIONS 2015

“The Education (Student Support) (Amendment) Regulations 2015 (Statutory Instrument No. 1951/ 2015) are revoked.”—(*Gordon Marsden.*)

*This new clause would revoke the Education (Student Support) (Amendment) Regulations 2015, which moved support for students from a system of maintenance grants to loans.*

*Brought up, and read the First time.*

*Question put, That the clause be read a Second time.*

*The House divided: Ayes 181, Noes 278.*

#### Division No. 88]

[7.14 pm

#### AYES

Abbott, Ms Diane  
 Alexander, Heidi  
 Ali, Rushanara  
 Allin-Khan, Dr Rosena  
 Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Blackman-Woods, Dr Roberta  
 Blenkinsop, Tom  
 Blomfield, Paul  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brake, rh Tom  
 Brennan, Kevin  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Butler, Dawn  
 Cadbury, Ruth  
 Campbell, rh Mr Alan  
 Campbell, Mr Gregory  
 Carmichael, rh Mr Alistair  
 Chapman, Jenny  
 Clwyd, rh Ann  
 Coaker, Vernon  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Corbyn, rh Jeremy  
 Coyle, Neil  
 Crausby, Mr David  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 Danczuk, Simon  
 David, Wayne  
 De Piero, Gloria  
 Doughty, Stephen  
 Dowd, Jim  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Ms Angela  
 Eagle, Maria  
 Eford, Clive  
 Ellman, Mrs Louise  
 Elmore, Chris  
 Evans, Chris  
 Farrelly, Paul  
 Fiello, Robert  
 Fletcher, Colleen  
 Flint, rh Caroline  
 Flynn, Paul  
 Fovargue, Yvonne

Furniss, Gill  
 Gardiner, Barry  
 Glass, Pat  
 Glindon, Mary  
 Godsiff, Mr Roger  
 Goodman, Helen  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Howarth, rh Mr George  
 Hunt, Tristram  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Jones, Gerald  
 Jones, Helen  
 Jones, Mr Kevan  
 Kane, Mike  
 Kendall, Liz  
 Kyle, Peter  
 Lavery, Ian  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lucas, Ian C.  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McInnes, Liz  
 McMahon, Jim  
 Mearns, Ian  
 Mulholland, Greg  
 Murray, Ian  
 Nandy, Lisa

Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Owen, Albert  
 Paisley, Ian  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Gavin  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Shah, Naz  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smyth, Karin  
 Starmer, Keir  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Stuart, rh Ms Gisela  
 Tami, Mark  
 Thomas, Mr Gareth  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Umunna, Mr Chuka  
 Vaz, Valerie  
 Watson, Mr Tom  
 West, Catherine  
 Whitehead, Dr Alan  
 Williams, Mr Mark  
 Wilson, Sammy  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Jeff Smith**

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart

Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Barclay, Stephen  
 Barwell, Gavin

Bebb, Guto  
 Bellingham, Sir Henry  
 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  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Carswell, Mr Douglas  
 Cartledge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishti, Rehman  
 Churchill, Jo  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Collins, Damian  
 Colville, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Doyle-Price, Jackie  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Duncan Smith, rh Mr Iain  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 Freeman, George

Freer, Mike  
 Fuller, Richard  
 Gale, Sir Roger  
 Garnier, Mark  
 Gauke, rh Mr David  
 Ghani, Nusrat  
 Gibb, Mr Nick  
 Gillan, rh Mrs Cheryl  
 Glen, John  
 Goodwill, Mr Robert  
 Graham, Richard  
 Grant, Mrs Helen  
 Gray, Mr James  
 Grayling, rh Chris  
 Green, Chris  
 Green, rh Damian  
 Greening, rh Justine  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 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  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Liddington, rh Mr David

Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robinson, Mary  
 Rudd, rh Amber

Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert  
 Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 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  
 Wallace, Mr Ben  
 Warburton, David  
 Warman, Matt  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggan, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Mark Spencer and**  
**Graham Stuart**

(a) EU (excluding from the UK), and  
 (b) non-EU  
 specialist employees employed by UKRI and English higher education providers.

(2) For the purposes of this section “specialist employee”—

(a) in relation to a Council, has the same meaning as in section 88(3), and

(b) in relation to an English higher education provider, means the academic staff of the institution.

(3) Should any report made under subsection (1) identify a decrease in the number of international specialist employees since the previous report was produced, the Secretary of State must make an assessment of the impact of such a reduction on UKRI’s ability to deliver its functions under section 86 of this Act.

(4) The Secretary of State shall lay any report produced under this section before each House of Parliament.”—(*John Pugh.*)

*Brought up, and read the First time.*

**John Pugh:** I beg to move, That the clause be read a Second time.

**Madam Deputy Speaker (Mrs Eleanor Laing):** With this it will be convenient to discuss the following:

Amendment 57, in clause 40, page 24, line 13, at end insert—

“(13) Before authorising any provider to grant research awards, the OfS must consult with—

(a) UKRI, including Research England,

(b) the appropriate National Academies and learned societies, and

(c) such other persons as the OfS considers appropriate.”

Amendment 53, in clause 85, page 54, leave out line 19.

*This amendment, together with amendment 54, would keep Innovate UK as a separate organisation to UK Research and Innovation.*

Government amendment 17, in clause 86, page 55, line 3, at end insert—

“( ) The functions conferred by subsection (1)(a) to (e) include, in particular, power to encourage and support the provision of postgraduate training in science, technology, humanities and new ideas.”

*This amendment makes clear that the functions of UKRI under clause 86(1)(a) to (e) include the power to encourage and support the provision of postgraduate training in science, technology, humanities and new ideas.*

Amendment (a) to Government amendment 17, after “humanities” insert “, social sciences”.

Amendment 54, page 56, line 30, leave out clause 89.

*See explanatory statement for Amendment 52.*

Amendment 42, in clause 90, page 57, line 21, after “appropriate” insert

“including relevant bodies in the devolved administrations”.

*This amendment allows Research England to coordinate with its devolved counterparts.*

Amendment 55, in clause 94, page 58, line 38, at end insert—

“(1A) In making grants to UKRI under subsection (1), the Secretary of State must specify the separate allocation of funding to be made by UKRI to—

(a) functions exercisable by the Councils mentioned in section 88(1) pursuant to arrangements under that section,

(b) functions exercisable by Innovate UK pursuant to arrangements under section 89, and

(c) functions exercisable by Research England pursuant to arrangements under section 90.

*Question accordingly negatived.*

## **New Clause 11**

### **UKRI REPORT: INTERNATIONAL SPECIALIST EMPLOYEES**

“(1) Within six months of section 84 of this Act coming into force, and every year thereafter, UKRI shall report to the Secretary of State on—

(1B) No variation may be made to the allocation of funding specified by the Secretary of State in subsection (1A) unless each House of Parliament has passed a resolution approving any such variation and has the consent of the devolved administrations.”

*This amendment would ensure there would be separate financial allocations to the Research Councils (collectively), Innovate UK, and Research England.*

Amendment 56, in clause 95, page 59, line 45, at end insert—

“(6) In giving direction to UKRI, the Secretary of State must act in the best interests of all constituent parts of the United Kingdom and, before giving such direction, must consult on research and innovation policies and their priorities with the following—

- (a) the Scottish Government,
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive.

(7) Before giving any direction to UKRI under subsection (1), the Secretary of State must seek agreement to the terms of that direction from—

- (a) the Scottish Government,
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive.”

*This amendment would place a duty on the Secretary of State such that before giving directions to the UKRI in regards to research priorities, the Secretary of State must consult the devolved administrations.*

Amendment 43, in clause 105, page 63, line 23, leave out “may” and insert “must”.

*This amendment would ensure cooperation and information sharing between the OfS and UKRI.*

Amendment 44, page 63, line 24, after “functions” insert—

“(1A) The OfS and UKRI must cooperate with one another on—

- (a) the health of disciplines,
- (b) awarding of research degrees,
- (c) post-graduate training,
- (d) shared facilities,
- (e) knowledge exchange and
- (f) skills development”.

*This amendment sets out where UKRI and the OfS must cooperate on issues at the interface between teaching and research.*

Amendment 45, page 63, line 25, leave out subsection (2).

*This amendment would ensure cooperation and information sharing between the OfS and UKRI.*

Government amendment 35.

Amendment 59, in schedule 9, page 101, line 20, at end insert—

“(9) A joint committee is to be established by UKRI and OfS, which must—

- (a) consist of representatives of both UKRI and OfS, and
- (b) produce an annual report on the health of the higher education sector.

(10) The report must make an assessment of—

- (a) the strength of the sector,
- (b) work undertaken to improve equality of opportunity,
- (c) the strength of separate disciplines,
- (d) the availability of research funding,
- (e) the awarding of research degrees,
- (f) the quality of post-graduate training,
- (g) access to shared facilities,
- (h) the effectiveness of knowledge exchange,
- (i) skills development, and
- (j) measures taken to act in the public interest.”

7.30 pm

**John Pugh:** It might be helpful if I refreshed hon. Members’ memories about what new clause 11 contains, so that we know what we are talking about. It states:

“Within six months of section 84 of this Act coming into force, and every year thereafter, UKRI shall report to the Secretary of State on—

- (a) EU (excluding from the UK), and
- (b) non-EU

specialist employees employed by UKRI and English higher education providers.”

It contains the critical subsection (3), which states:

“Should any report made under subsection (1) identify a decrease in the number of international specialist employees since the previous report was produced, the Secretary of State must make an assessment of the impact of such a reduction on UKRI’s ability to deliver its functions under section 86 of this Act.”

We all accept that universities have major anxiety about research funding post Brexit, simply because while we are in the EU there is a huge net benefit to the UK, in cash and personnel terms—in all terms—in key subjects such as science and medicine in particular. The Government are doing their best to pour oil on troubled waters with various reassuring mantras. They say that there is no change yet—well, we know that—and that there will be vigilance about what the EU is up to so that it does not cut us out of projects we ought to be involved in; there are vague promises of future largesse, with hopes of continuity, and statements that there are always prospects beyond the EU.

Sadly, none of that is working particularly well. Anxiety in the university sector is as emphatic as it was to begin with. We are not simply talking about money; we are talking about people. That is what new clause 11 is principally about. In some universities the number of foreign nationals working as lecturers and specialist employees is as high as 30%. That contrasts markedly with French universities and many other continental universities. It is a feature of the British university scene that makes it very different and very desirable.

Recognising that universities were worried about this issue, we asked vice-chancellors through a survey exactly what their views were and how concerned they were. I am happy to share the full results of that survey with any Member who expresses an interest. One question we asked was:

“Are you worried that the uncertainty regarding research grants and the future of EU academics could have a negative impact on standards at UK universities?”

Some 73% said yes. We also asked:

“Do you agree that it is necessary to maintain freedom of movement between the UK and the EU to protect research funding, the right to reside and work of EU academic staff and the right of all UK and EU students to study anywhere in the EU?”

It was a slightly inelegant question, but Members get the gist. The answer was that 83% said that yes, freedom of movement was crucial.

In the process of conducting the survey, I got a phone call from a vice-chancellor who spoke with a more anecdotal and personal view about his own university. He told me of the difficulties academics were currently facing in planning their future, thinking ahead, considering what they would do about their families—young academics, in particular—and wondering where their future lay.

Like a lot of people planning their lives, they wanted a bit of certainty and security. Towards the end of the conversation he made what I thought was a very shocking confession. I had conducted the conversation on the assumption—my assumption, from his impeccable English—that he himself was English. I have probably given the game away, but it turned out that he was Belgian, and shared all the concerns that he was voicing on behalf of his colleagues.

This is a personal issue for a lot of valuable and skilled people, some of whom are already facing, unbelievable though this is, an increase in prejudice and, sadly, something that amounts at times to hate crime on their university campuses. If those skilled contributors go, some courses simply will not happen, because we need those people—that is why we got them in the first place—and some will worsen; university life will itself worsen.

The Minister is a very civilised man, who I am sure wants a diverse university sector and wants the best of EU talent to stay here, and to continue to come here. He would not welcome an exodus. He speaks fluent French, so has a true continental mindset, although it may not be encouraging to describe him as having that at this stage in the Government's deliberations. I am sure he would welcome an early warning of any kind of exodus, and any kind of problem with or diminution of the involvement of international lecturers in our universities. The new clause would simply give him that.

**Carol Monaghan:** I will speak to amendments 55 and 56. I will start with amendment 56, which is in my name and that of my hon. Friend the Member for Kirkcaldy and Cowdenbeath (Roger Mullin).

The proposals in the Bill to reform the UK research councils have implications for higher education in Scotland, and we have concerns about the potential consequences for Scotland's research base. The SNP tabled an amendment in Committee that sought to ensure representation on the UKRI board of people with relevant experience of the Scottish, Welsh and Northern Ireland higher education sectors, as well as an understanding of the research and innovation policy context and landscape across the whole of the UK. We withdrew the amendment but reserved the right to bring it back on Report. That is what we are doing now.

We are pleased that the Government listened to the Scottish National party's concerns in Committee and have tabled their own measure on this issue, Government amendment 36. However, although we welcome their acknowledgement of the need for the board of UKRI to include experience of the devolved Administrations, it is disappointing to note that amendment 36 requires experience of only one of those Administrations. That does not allow for the proper consideration of all devolved Administrations and their policy priorities within UKRI.

UKRI must have an understanding of the whole UK research and innovation landscape and must act in the interests of all devolved Administrations. That is why we have tabled amendment 56. What we have in front of us in Government amendment 36 does not adequately address our concerns and those of stakeholders, including Universities Scotland, Universities Wales, Queen's University Belfast, the Scottish Council for Development and Industry, NUS Scotland, the University and College Union Scotland

and the Royal Society of Edinburgh. Our amendment is not partisan, but draws on a whole sector of university opinion throughout Scotland, Wales and Northern Ireland, and has the full support of the Scottish Government.

The UK Government said that they would introduce a Higher Education and Research Bill that included measures set out in Paul Nurse's review of the research councils. Our amendment would ensure the Bill matched what Sir Paul Nurse noted in his review, that

“there is a need to solicit and respond to distinct research priorities and evidence requirements identified by the devolved administrations”.

The Bill as it stands does not meet the overarching principles of the Nurse review, as the governance of UK Research and Innovation is accountable only to the UK Government, with principally English interests. We believe that the governance of UKRI needs to reflect the priorities of each of the Governments within the UK; if it does not, there could be a lack of consideration of Government priorities and research needs in Scotland and other devolved nations among the decision-making bodies of the research councils and of Innovate UK.

**Hywel Williams:** I back the hon. Lady's points, and note that Welsh universities have particular priorities when it comes to research, not least the very low level of funding that they get, which is probably around 2%—a figure that contrasts with the fact that we are 5% of the UK population. Irrespective of the Haldane principle, that is a specific concern in Wales.

**Carol Monaghan:** I thank the hon. Gentleman for that point. Scotland does very well out of the research councils, because there is a large research body in Scotland and the research environment is vibrant across our 19 higher education institutes.

We want the Secretary of State and the UK Government to consult Scottish Ministers and their equivalents in the other devolved Administrations before approving UKRI's research and innovation strategy. How else can we be certain that the new body set up in the Bill will be used in the best interests of the whole of the UK and is not simply focused on English-only priorities?

The Scottish National party is proud of our HE sector and acknowledges that it is valuable to ensure Scotland's cultural, social and economic sectors prosper. It is worth over £6 billion to our economy, and we must ensure that this continues. The Bill has the potential to harm Scotland's world-renowned research. The Minister and this Government need to ensure that devolved Administrations have an equal say and that their voice is heard within UKRI to ensure that the Bill will be of no detriment to any part of the UK.

Amendment 55 deals with funding. The integrity of the dual support financial system must be protected, and the Bill does not go far enough to do that. We need to be sure that the balanced funding principle is clearly defined in the Bill to ensure that the integrity of the financial system set up within cross-border higher education sectors continues. Any flow of funds between reserved and devolved budgets needs to be clearly defined, and the Bill does not address how the balance of funding allocated through competitive funding streams will be supported. There is a serious worry that Research England funding could be taken from the UK-wide pot, of which Scotland's and other devolved Administrations' HE institutes rightly receive a share. If that pot were to

diminish, it would be to the detriment of the Scottish HE sector and, indeed, those of Wales and Northern Ireland.

We are already seeing uncertainty about funding for our HE sector, thanks to the reckless gamble over Brexit. Is it right now that we should deprive our HE institutes by taking UK funding away from them, too? Many stakeholders in Scotland are concerned about the potential hazard that will be placed in their way because of the funding structure. Amendment 55 would ensure separate funding allocations for the research councils, Innovate UK and Research England.

Although Scotland performs well, as I have already mentioned, in attracting funding from Research Councils UK for grants, studentships and fellowships, Scotland does less well in infrastructure spending for research and currently only attracts 5% of UK spending. As with many things, a lot of this spending is concentrated on the south-east of England, and we want UKRI to have a full overview of research infrastructure across the UK.

We are very concerned that that clause 94 will allow the Secretary of State to alter the balance of funding between the research councils. Any grant to UKRI is ultimately research project funding, which should be competitively available throughout the UK. It is therefore necessary to have transparency about what goes to UKRI and what goes to Research England, given that that body will distribute funds for research infrastructure that is available only to English institutions.

We are extremely concerned that no provision in the Bill will ensure that the Secretary of State cannot give directions to UKRI to move funds in-year on its own initiative between constituent parts. If, for whatever reason, funds had to be moved by the Secretary of State between research councils and Research England or Innovate UK, this must happen only if the Scottish Government and other devolved Administrations give consent.

This SNP amendment would ensure that fairness and transparency are at the forefront of reserved funding allocation to UKRI and the allocation to Research England, while ensuring that the balanced funding principle is measured in relation to the proportion of funding allocated by the Secretary of State for reserved and for devolved England-only funding and providing clarity about when that might not be achieved.

**Joseph Johnson:** I thank honourable colleagues for their enthusiastic support for our world-class research and innovation system. UKRI will be a strong and unified voice, championing research and innovation nationally and internationally. It will support fundamental and strategic research, drive forward multi and inter-disciplinary research, support business-led innovation and help to promote business links with publicly funded research.

UKRI will build on the great work already being undertaken by our research and innovation bodies and maximise the benefit to the UK of a Government investment of over £6 billion a year. That is why the Prime Minister this morning announced that, by the end of this Parliament, we will invest an additional £2 billion in research and development, including through a new industrial strategy challenge fund, led by Innovate UK, by our world-class research councils and, once established,

by UKRI. This is clear testament to how UKRI can help to deliver greater outcomes for the research and innovation communities and for the whole UK.

7.45 pm

UKRI will, of course, need insight not just into the research environment, but into innovation strengths and the business needs of the entire UK. We recognise the importance of UKRI board members having the appropriate experience to fulfil these important roles. Government amendment 35 will ensure that, when making these key appointments, the Secretary of State will have regard to the importance of the board having experience of the research and innovation systems in one or more of the devolved Administrations.

Amendment 42 would require Research England to consult the devolved funding bodies, when an equivalent requirement would not exist for them to consult Research England. I would highlight instead the new clause that I introduced in Committee, which will ensure that Research England can work with its devolved equivalents, as the Higher Education Funding Council for England does now. It is important that that joint working continues, and the provision in the Bill will enable that.

Turning to amendments 53 and 54, research and innovation must be joined up at the heart of our industrial strategy. Incorporating Innovate UK will bring benefits to businesses, researchers and the whole UK. It will help businesses identify possible research partners and mean that research outputs are better aligned with their needs. Researchers will benefit from greater exposure to business and commercialisation expertise, and it will deliver a more strategic, agile and impactful approach across UKRI's portfolio.

As UKRI chair, John Kingman, has highlighted,

“it would be a huge mistake, and a backward step, to set up UKRI with the innovation mission left elsewhere. The big challenges facing our country require more and better co-ordination and partnership between our great research base, Innovate UK and the business community, not less.”

And stakeholders recognise the potential here, too. The CBI has said:

“The latest proposals for integrating Innovate UK within UKRI should support valuable synergies between different aspects of the UK's science and innovation communities. Bringing Innovate UK's business-facing perspective into UKRI can bring strategic advantages and should be used to build partnerships, creating the best conditions for fast growing, dynamic businesses to thrive.”

Let me reassure the House, however, that I recognise the importance of Innovate UK maintaining its business-facing focus. That is why the Bill will protect Innovate UK's distinctive focus and autonomy in the delivery of its functions. Innovate UK will continue to develop new projects and programmes, working with companies to de-risk, enable and support innovation that will grow the UK economy. Furthermore, it will retain its separate budget, set out via a grant letter from the Secretary of State.

The Secretary of State will appoint both academic and business representatives to the UKRI board, including a member to lead in promoting and championing innovation and business interests.

To realise our potential fully, we need to respond to a changing world, to anticipate future requirements and to ensure we have the structures in place to exploit the knowledge and expertise we have for the benefit of the

whole country. The way to do this most effectively is to bring Innovate UK into UKRI. It is important that we deliver the flexibility and agility that the new structure for our research and innovation landscape will provide.

Turning to amendment 55, the Government have already committed to setting out separate funding streams for each council. The funding streams will be established in the annual grant letter. It is important that UKRI retains some flexibility to manage its funds to meet immediate financial pressures, to ensure best value from its resources and to meet the aspirations for seamless administration of multi and inter-disciplinary research and joint research and innovation projects. Small-scale, practical and mutually agreed virement is essential for any organisation that is managing a large portfolio of innovative, complex projects. This would allow UKRI's councils to adapt to changes in project timing or to shift small amounts of funding to a lead council to support an interdisciplinary project in response to creative ideas from the community. I can also reassure hon. Members that the Secretary of State would not agree to UKRI viring money in such a way as to result in a net change in Research England's hypothecated budget over a spending review period. This will be made clear in guidance to UKRI.

On amendment 56, I would like to take this opportunity to be very clear that UK-wide research and innovation funding, as conducted through the research councils and Innovate UK, are reserved issues and will continue to be so after transition to UKRI. It is already the Secretary of State's duty, as it is mine, to work for the interests of the whole of the UK. Similarly, it is the responsibility of the research councils and Innovate UK to operate on an equal basis across the UK. Primarily, this is achieved by funding projects selected through open competition on the basis of excellence. The fact that they do so effectively is widely recognised in the research and innovation communities, as recognised by the former vice-chancellor of the University of Dundee, Sir Alan Langlands, in the evidence he gave last month to the Public Bill Committee. The research community functions remarkably well across the UK political landscape, not least because the UK Government and the devolved Administrations work together to make it do so. We would not seek to bind UKRI into a restrictive process of consultation, as proposed in this amendment.

**Hywel Williams:** I am sure that the record will show whether the Minister said earlier, in respect of Government amendment 35, that membership would include at least one person or more with relevant experience in relation to at least one of Wales, Scotland and Northern Ireland. Is it "one person" with relevant experience or "one person or more"?

**Joseph Johnson:** It will be at least one person with experience of one or more of the devolved Administrations. To be absolutely explicit, the Government have tabled an amendment that places a duty on the Secretary of State to have regard to the desirability of having at least once such member. For the individual councils, we think it right that UKRI be free to appoint the very best people for these roles, and we expect it to appoint candidates with the highest levels of relevant skills and experience from a diverse range of backgrounds, both nationally and internationally.

On new clause 11, I absolutely agree with the hon. Member for Southport (John Pugh) that there must be proper monitoring of the international diversity of the research sector workforce. We already take this very seriously and collect and discuss such data, but let me reiterate the Government's position on the importance of international researchers. As I have said, we remain fully open to scientists and researchers from across the EU, and we hugely value the contribution of EU and international staff. There has been no change to the rights and status of EU nationals in the UK or of UK citizens in the EU, as a result of the referendum. As the Prime Minister said in her letter copied to Venki Ramakrishnan, president of the Royal Society, only five days after she came into office:

"Our research base is enriched by the best minds from Europe and around the world – providing reassurance to these individuals and to UK researchers working in Europe will be a priority for the Government."

**Paul Blomfield:** The Minister has articulated exactly the sentiments shared by Opposition Members—for us, too, this issue is a priority—but does he not recognise that in reality the Government are failing in that objective? Around the country, we are receiving reports of EU academics saying, "Our future isn't here, because we haven't had the reassurances we need."

**Joseph Johnson:** There is no higher authority in the Government than the Prime Minister, and we have heard from her that it is absolutely our intention to provide the reassurance that EU scientists and researchers working in this country want and need. The Brexit Secretary has given similar assurances and reminded EU nationals living and working in the UK that those who have been here for five years are already entitled to indefinite leave to remain—I understand from his figures that that relates to about 80% of the group concerned—and that those who have been here for six years are entitled to apply for dual nationality. We want brilliant researchers from other European countries to continue to enrich our universities and student experience, and we have every expectation that they will be able to do so, as long as UK nationals in other EU countries receive reciprocal rights in those countries.

**Kirsten Oswald (East Renfrewshire) (SNP):** Does the Minister appreciate that such statements are cold comfort to people in that position and that we need far greater certainty to make sure that our higher education institutions can flourish as they should?

**Joseph Johnson:** We as a Government can only reiterate that we fully appreciate and value their presence in our institutions. We welcome them and think their work crucial, and we want them to stay and to continue doing that work. We cannot be more categorical than that.

On amendments 43, 44, 45, 57 and 59, I absolutely agree that co-operation between the OFS and UKRI is critical. Clauses 105 and 106 provide for this. It is counterproductive, however, either to restrict the areas or to be too prescriptive about how and where UKRI and the OFS should work together through legislation as required by these amendments. We have recently set out in a factsheet published on 15 November further details of where we expect both bodies to work together. One key area explained in the factsheet where we believe that the OFS and UKRI should work in close co-operation

is in the assessment of applications for research degree awarding powers. The provisions in the Bill will facilitate this.

Another important area of joint working between UKRI and the OFS is postgraduate training. In turning, therefore, to amendment 17, I would like to thank the hon. Member for Sheffield Central (Paul Blomfield) for raising this important issue in Committee. While the functions of UKRI, as drafted in the Bill, do enable this, the Government have tabled the amendment to provide absolute clarity that UKRI will continue to support postgraduate training. The hon. Member for City of Durham (Dr Blackman-Woods) has proposed an amendment to our amendment to ensure that it includes “social sciences”. I can assure her that this is already the case, because clause 104 ensures that all references to science or the humanities include social science and the arts. Our support for postgraduate training will be across the spectrum of disciplines. The OFS will be responsible for protecting the interests of all students, including all postgraduate students. The two bodies will work together and share understanding to support their respective functions, and the Bill makes clear provision for this.

I hope that hon. Members recognise the considerable progress made in ensuring that the Bill meets the needs of the research and innovation communities. I believe that UKRI will catalyse a more strategic, agile and interdisciplinary approach to addressing global challenges and developing the UK’s research and innovation capability. This is fundamental to strengthening UK competitiveness as part of the new industrial strategy. I therefore ask hon. Members not to press their amendments.

**Gordon Marsden:** Our amendments 43 to 45 are on collaboration between the OFS and UKRI. I will come to those and the Minister’s comments on them in a moment, but shall start with amendment 42.

Amendment 42 would allow Research England to co-ordinate with its devolved counterparts. Labour considers this an important principle to establish in the Bill. The Committee did not include members from Wales or, obviously, from Northern Ireland, yet, in both Wales and Northern Ireland, universities and higher education institutions will be significantly affected by the process. They will also be affected if the process with the new bodies is not universally seen, at this important time for our university system, to be fair in sharing out its attentions. Not to consider including such provisions in the Bill is a great mistake. Surely we should consider those interests when setting up a new research body.

This is highly relevant to the future of those research bodies. The Minister will be well aware that research bodies are generally still not entirely mollified by the various blandishments and reassurances given, particularly on the role of research councils. I am sure he will hear more about that when the Bill goes to the other place. While we have not pressed further any of the amendments that were proposed in Committee, because of time pressures, I assure him that our noble Friends in another place will want to scrutinise in detail what he has said and what he is planning to do.

These are not arcane arguments about technical details. One of the problems the Government face is that they have overlooked a vital factor. There is little sense of what the knock-on effects of all this will be on the

importance of what I describe as the brand UK plc in HE—particularly so, in view of the further uncertainties that have arisen since the advent of Brexit. I am not the only person to make that observation; other commentators and academics have also done so.

8 pm

HE providers across England and the devolved nations are internationally competitive because there is a trusted UK brand. If we are to maintain a trusted UK brand, it is important that all the integral parts of the UK feel that they have a say at the table. If they do not feel that and there is disgruntlement and dissension, at a time when the UK Government need to do all they can in the Brexit negotiations to safeguard that UK brand, there will be a weak link. There needs to be a proper UK-wide strategy to safeguard the positions of our researchers, as the hon. Member for Southport (John Pugh) mentioned.

Amendments 55 and 56, tabled by SNP Members, provide a valuable service to the Government by waking them up to some of the implications of having a body—albeit not one that they might wish for—that appears to be too Anglocentric. Reference was made to the amendment tabled in Committee that would have given the devolved nations more input. The Welsh Government in particular are concerned that Government amendment 45, which is the UK Government’s response to the amendment tabled in Committee, will not be adequate. Their view is very simple: Northern Ireland, Scotland and Wales, although they have some similarities—in that they are not English—are not a homogenous group of countries. They have very different histories, interests and experiences of HE and research and innovation, which needs to be reflected in the architecture.

The Minister is at his most emollient this evening, on the back of the announcement today of a £2 billion industrial strategy fund, which is going turbo-charge the future for UKRI, so that it can power away and all the rest of it. The truth of the matter—and the Minister knows it—is that the architecture that will need to be constructed and consolidated in UKRI, with Innovate UK, the research councils, the devolved Administrations and so on, is complex. It is going to take time to develop.

**Jim Shannon** (Strangford) (DUP): On the subject of Northern Ireland, the Minister will know that Queen’s University, Belfast has an extensive partnership with companies and other universities across the whole of the United Kingdom, and we are all proud to be British in relation to that. With that in mind, I am wondering what consideration the hon. Gentleman feels this Government should give to Queen’s University, particularly for its innovative medical investigations to find new cures for cancer, diabetes, chest, heart and stroke illnesses and such like?

**Gordon Marsden:** I am grateful for the hon. Gentleman’s intervention. It would, of course, be invidious for me to single out Queen’s University over and above others—if I did, my postbag would no doubt be full—but he is absolutely right to champion what it is doing. There is an important point, which I am not sure the Government have entirely grasped. The research done at Queen’s and other universities and HE institutions under the devolved Administrations does not depend only on whether the Government get a good Brexit settlement with the

European Union; it depends on maintaining the trust and support of those EU nations that we will rely on to get that sort of investment for clinical trials. For example, a lot of charities—the Minister will be aware of this because they made representations to his Department—particularly those relating to heart disease and cancer, are concerned that if we do not get a decent settlement, the problems of getting field trials in Francophone Africa or Lusophone South America will become more and more complicated because we rely on those researchers and the good offices of our EU counterparts in those countries. I do not think that the Government are taking anywhere near enough notice of that particular issue.

As I said, the architecture is complex, and it is crucial to get it right. Although the Minister may think that some of these amendments are nit-picking and do not need to be on the face of the Bill, as I said to him throughout our discussions in Committee, I think he neglects the importance of sending a signal to the devolved Administrations and others that their interests are going to be represented. That is why these amendments were tabled.

Our amendments 43, 44 and 45 would ensure that there is co-operation and information sharing between the OFS and UKRI. The Minister obviously knows that UKRI and Innovate UK have historically done different things. Again, he is at pains to try to reassure us that all we will get under the new structure is the best of both worlds. Unfortunately, we sometimes end up getting the worst of both worlds. I was struck, particularly during evidence sessions in Committee, by the fact that certain concerns remain—amendment 53, tabled by the hon. Member for Southport (John Pugh), is also relevant here. The chief executive of Innovate UK outlined his concerns in Committee about whether Innovate UK and the Department that supports it will be sufficiently fleet of foot to do the sort of innovative things in finance and everything else that they have so far been very good at. This is not to say that the architecture cannot work; it is just saying that the Minister and his officials need to think rather harder about the how the process will go forward.

There is also, of course, the broader issue in part 3 that the process of separating teaching and research—and in this context, the Research England body is relevant—will mean that issues and activities at the interface of teaching and research, such as the health of disciplines, the awarding of research degrees, post-grad training and sharing of facilities, might not be effectively identified and supported.

**Daniel Zeichner** (Cambridge) (Lab): My hon. Friend will appreciate that a number of institutions are concerned—I suspect he was about to make this point—about this gap between teaching and research. I was quite surprised when my University of Cambridge told me that 89% of people who are involved in teaching at the university are also involved in research. That integration between the two is absolutely essential, yet it seems to be what is missing in some people's eyes from the Bill. I believe that this is the force of the amendment that my hon. Friend is proposing.

**Gordon Marsden**: I was going to say that my hon. Friend, as the MP for Cambridge, is at the cutting-edge, or certainly at the coal face, of this particular issue. I know it is important to Cambridge University and indeed to Oxford University, whose vice-chancellor has

expressed similar concerns. This is not the Minister's fault, but it is unfortunate that at the time this comes through, we will have had the machinery of government changes in terms of the Department for Education and the new expanded Department for Business, Energy and Industrial Strategy. Time alone will tell what the benefits of that are—I think there might be a number of them—but there could be problems in the short term. With the best will in the world, that bedding-down process between the two Departments—I know the Minister has a foot in both camps, so I hope he will be able to help—is going to be a real concern.

We have talked about the OFS and UKRI co-operating on the health of disciplines and so on. Our amendment proposes a mechanism by which this collaboration could be achieved. The Royal Society, as I am sure the Minister is aware, has suggested that a committee on teaching and research should be established. The Wellcome institute, with which I am sure Members are familiar, has also offered its thoughts. Teaching and research are intrinsically linked, but that intrinsic link would be lost from higher education if the bond between them were broken.

Clause 105 sets out the interactions between the OFS and UKRI, but we wanted to strengthen that co-operation by replacing the word “may”—no disrespect to the Prime Minister—with “must”. In parliamentary and governmental terms, “must” is a great deal more useful than “may”. The Royal Society of Chemistry has said:

“In many HE Institutions we see positive interactions between teaching and research responsibilities...There is a risk that the separation of teaching and research in the new HE architecture will mean that the benefits of research informing teaching and learning practices could be lost.”

No one is suggesting that that would be done deliberately, but it could happen. The society has also said:

“The current draft of the Bill allows for information sharing between the OfS and UKRI. It does not, however, require their cooperation unless directed by the Secretary of State”.

Other learned bodies and societies have contacted me, and fellow members of the Committee, to make similar points.

The Minister referred to the guidance paper that he has issued. I thank him for that paper, which provides some further clarity, but it has come very late in the day. I wonder whether it was issued with an eye to the passing interest in the other place, to which the Bill is shortly to be committed, rather than with the aim of keeping us happy down here, but it is useful nevertheless. At the end of the day, however, it still does not establish an obligation or mechanism for co-operation; that is left to the whim of an individual Secretary of State or universities Minister.

As I have said, the issue is made more pressing by the new machinery of government structure and the responsibilities shared by the two Departments. Who knows what will happen in the future? The Minister may be looking forward to a long period as the universities Minister, but at some point, no doubt, he will go onward and upward, and there is no guarantee that his successor, in this or any future Government, will also share responsibilities with BEIS.

For all those reasons, we are suggesting that the Bill be amended to provide that the OFS and UKRI must co-operate without having to be required to do so by the Secretary of State. If SNP Members choose to press their amendments, we will support them.

**Dr Blackman-Woods:** I wish to speak about amendments 57 and 59, and amendment (a) to Government amendment 17.

In Committee, my hon. Friend the Member for Blackpool South (Gordon Marsden) and I said that the OFS should not have sole power and control over authorisations of research awards, and that UKRI and other bodies should be involved in authorising degrees. I argued that there were two major problems with giving the OFS sole power to award research degrees. First, it would not allow any research funding bodies, or indeed any other relevant agencies, to take part in the process of deciding whether to grant an institution powers to award research degrees. That is problematic, because granting research degree-awarding powers without reference to other bodies diminishes the level of expertise in the decision-making process.

Secondly, as UKRI, Research England, and the national academies and learned societies have responsibilities for providing research funding, it would surely be a major error not to consider what role they would have in the granting of research degree-awarding powers, or the effect that it could have on their funding decisions. That is particularly important given the concerns that many organisations have about giving away degree-awarding powers. For example, the University and College Union is worried about the impact of removing a minimum period before institutions are allowed to apply for full degree-awarding powers. At a time when many groups fear that the restrictions on degree-awarding powers are being watered down, we should be ensuring that organisations such as UKRI are scrutinising the decisions made by the OFS.

8.15 pm

The Minister did respond to some of my concerns about the OFS working alone. He said:

“One key area in which the OFS and UKRI should work in close co-operation is the assessment of applications for research degree-awarding powers, and the provisions in clause 103 will facilitate that.”

I appreciate that clause 105—which clause 103 has become—allows the OFS and the UKRI to work together, but the purpose of my amendment is not just to allow them to work together, but to ensure that they do so. My hon. Friend the Member for Blackpool South (Gordon Marsden) has just made that point. The fact that the two institutions are allowed to work together does not mean that they will.

The Minister said:

“The Secretary of State will have powers to require that co-operation to take place if it does not do so of its own accord.” —[*Official Report, Higher Education and Research Public Bill Committee*, 11 October 2016; c. 372.]

Why should not the organisations be required to co-operate at the outset, rather than the Government’s saying that they can work together, waiting until they do not work together, and then seeking to intervene?

**Joseph Johnson:** UKRI and the OFS are under an obligation to act efficiently and effectively, and to deliver value for money. That will inevitably mean that when collaboration would deliver those objectives, they will also be under an obligation to work together.

**Dr Blackman-Woods:** That seems a bit convoluted.

A number of universities are still raising issues. We have just heard from the University of Cambridge, which says that

“the Bill itself does not contain any specific duty on the OFS to consult with UKRI towards the award of research DAPs. We believe that this should be specifically provided for in the Bill.”

I agree. I think that we would all like the Minister to include a specific requirement for the OFS to consult the UKRI and other bodies before granting degree-awarding powers. That, we think, would be a major step towards ensuring that decisions are effective and appropriate.

Amendment 59 suggests that one way of ensuring that the OFS and UKRI work together would be to establish a joint committee consisting of representatives of both organisations and requiring them to produce an annual report on the health of the higher education sector. They would have to report on, for instance, post-graduate training, research funding, shared facilities, skills development, and the strength of the sector. The amendment is intended to obtain—even at this late stage—a bit more information from the Minister about how he envisages the two organisations working together, and, in particular, how he will ensure that there is holistic oversight. That issue arose again and again in Committee. There was widespread concern, expressed in our amendments, that the split into two organisations would lose some of what HEFCE had provided for the sector. This amendment suggests just one way in which the two could be made to work together more effectively; there are others.

The Minister has provided us—rather late in the day—with framework documents that help to establish how the Government envisage collaboration between the organisations, and I thank him for that. I found it interesting reading. I hope that the Minister appreciates that I read the document immediately. It sets out a number of things that the OFS and UKRI may do. It says, for example, that the OFS and UKRI may co-operate with one another in exercising any of their functions and that the OFS may provide information to the UKRI. I just reiterate the point—why not just say “must” or “shall” where appropriate, and then we are all absolutely clear that those two organisations have to work together in a particular way?

I want to emphasise one thing about the amendment. At the end of it, it says that the UKRI and the OFS should have to publish a report on

“measures taken to act in the public interest.”

I am not going to go through again all the things we would expect to see from two organisations working in the public interest, but it would be helpful to have some understanding from the Minister about how the UKRI and the OFS are going to comment and report on the public interest as expressed by institutions and the work that they are carrying out.

On amendment (a) to Government amendment 17, the Minister is right that clause 104 says that the social sciences should be covered by the term “sciences” and arts by the term “humanities”. I tabled amendment (a) so that I could ask why, as only a few additional words would have to be added, “social sciences” cannot be added to the provision. We will all remember that arts is covered by humanities and social sciences by sciences because we are doing the Bill, but once the list is out there will be a danger of both the arts and social

sciences falling out of everyone's memory. I make a plea to the Minister: may we have the words "arts" and "social sciences" added to the provision?

**Roger Mullin:** I hope not to detain the House for terribly long, but I would like to make several points. The Minister said in relation to our amendment 55, "The Secretary of State would not agree to the varying of money". That strikes me as the nub of the problem. Although the Minister is someone who I know to be honourable, absolutely committed to the university sector and assiduous in his work—he has listened to us, hence the modest changes he has made, which are welcome—he will not be there forever and in future we may get someone with much less stable characteristics, like his brother, for example. Can you imagine the havoc that could be wreaked if his brother were to replace him? Therefore, we need to ensure that some of the requirements are enshrined in statute.

When we look at the needs of the different Administrations, we see that there is a great difference between the needs of the economies in Wales, in Northern Ireland and in Scotland and the needs in England, particularly the south of England. I have had the great pleasure of working in Queen's University Belfast and Ulster University at different times, as well as in many Scottish universities and a few in England. The differences can be profound.

Take one of the universities in Scotland—the University of the Highlands and Islands, a multi-campus university that has grown out of the college sector and has research interests that are not shared by any other university in the UK. The same is true of Ulster University and, I am sure, although it is many years since I was there, Bangor University. There is a great variation in research interest. More than that, there is a profound difference economically, to which they have to respond. Their interests diverge in many ways. We only need to look at the debate about exiting the EU in Scotland, where 62% voted to stay. We and others are working hard to have as close a relationship as possible with the EU and all that that would bring. Look at the debate taking place in other parts of the UK, where precisely the opposite view is being taken. That will have profound economic consequences that need to be reflected, and they will not be unless there is proper consultation with the devolved bodies.

The Minister talked about bringing together, which I would welcome, research, innovation, the academic community and the business community and all that that involves. In the vast majority of cases, I would agree with him, but let me put in a word of caution. Some years ago, when I was chair of the joint departmental research ethics committee at the University of Stirling, we were faced with a situation where research programmes into smoking were being challenged by business, which was trying to get access through legal means to the original data that the academics had used, so that the tobacco companies could twist them for their own interests. Therefore, it is not always the case that there is a coincidence between academic and business interests. That is another reason why there needs to be much greater co-operation. The devolved Government in Scotland would have been much more sensitive to that matter than any other part of the UK.

**Ms Margaret Ritchie** (South Down) (SDLP): Is the hon. Gentleman aware that Queen's University Belfast—I must declare an interest; I graduated there—has a particular

interest in precision medicine and has been trying to get funding from Innovate UK to pursue a particular project, but it is in direct competition with a university in Britain? However, Queen's has a particular expertise in that area.

**Roger Mullin:** I thank the hon. Lady for that intervention. I was not aware of that, but she raises a situation where surely it would make sense for there to be co-operation and co-ordination to understand the different economic and medical interests that exist.

I appeal to the Government: it is not too late to think and to improve the Bill. I ask the Minister to think about those points again.

**Deidre Brock** (Edinburgh North and Leith) (SNP): As my hon. Friend has mentioned, many people working in higher education in Scotland are very worried about these reforms and I do not blame them. The Brexit mess is already causing tremendous uncertainty over future research funding and international collaboration. We need to make certain that changes to governance do not put even more blocks on the road.

As my hon. Friend the Member for Glasgow North West (Carol Monaghan) said, the Scottish Affairs Committee recently had the privilege of taking evidence from Sir Tim O'Shea, the Principal of the University of Edinburgh. He was clear about the probable damage that Brexit would do to universities in Scotland and in other parts of the UK if a deal were not reached similar to the deal that the Prime Minister floated for the City of London. The Scottish research industry secured some €217 million from Horizon 2020 up to February 2016. That is 11.6% of total UK funding. Access to that funding will be lost unless agreement is reached between the UK and the EU, and that will necessitate the UK putting the money into the research pot in the first place.

Of perhaps more direct concern for the business in front of us, however, and a major concern about these reforms in Scotland, is that research councils will be sucked up into the new UKRI along with Research England, meaning the research funding pot for the UK could be too closely entwined with England's funding council. We need clear lines and full transparency between UKRI and Research England. Scotland's universities currently perform very well in attracting funding from research councils for grants, studentships and fellowships; we cannot allow the system to be skewed to their disadvantage, and we certainly look forward to seeing the Government guidance on this.

We also need more than lip service to be paid to consulting devolved Administrations. The Scottish Government and the Scottish Funding Council need input into those decisions, as do the Welsh and Northern Ireland Administrations, so that their voices and priorities are not drowned out.

The Scottish research industry has different priorities from the rest of the UK, and there is a concern that this will be missed from a UK-wide research body. For example, Scottish institutions have been pioneers in research collaborations since the first research pools were formed in 2004. These are often in smaller, less research-intensive institutions, and there is a worry that the new criteria could leave such smaller pockets of excellence locked out of funding. In light of this, Government amendment 35 simply does not go far

[Deidre Brock]

enough in assuaging the very real concerns that have been voiced long and loud by the Scottish higher education sector. To only

“have regard to the desirability of the members including at least one person with relevant experience in relation to at least one of Scotland, Wales and Northern Ireland”

is simply not good enough. That is hardly a cast-iron assurance that the new structure will not affect our research priorities or damage our research funding.

These changes will affect Scotland. We will be keeping a close eye on their effects, and we can be sure Scottish universities will take full advantage of any edges they can find.

One final point: one likely consequence of the Bill, in its current state at least, is that Scottish universities will become far clearer in their national and international branding.

8.30 pm

**John Pugh:** I do not propose to press my new clause to a vote.

*Clause, by leave, withdrawn.*

#### New Clause 14

##### “Post Study Work Visa: evaluation

“(1A) Within six months of this Act coming into force, UKRI must commission an independent evaluation of the matters under subsection (1B) and shall lay the report before the House of Commons.

(1B) The evaluation under subsection (1A) must assess—

- (a) the effect of the absence of post study work visas for persons graduating from higher education institutions in the United Kingdom on—
  - (i) the economy, efficiency and effectiveness of the higher education sector, and
  - (ii) the UK economy, and
- (b) how post study work visa arrangements might operate in the UK, including an estimate of their effect on—
  - (i) the economy, efficiency and effectiveness of the higher education sector, and
  - (ii) the UK economy.”

*This new clause would require UKRI to commission research on the effects of the absence of arrangements for post study work visas and assess how such arrangements could operate in the UK and their effect on the higher education sector and the UK economy.—(Carol Monaghan.)*

*Brought up, and read the First time.*

*Question put, That the clause be read a Second time.*

*The House divided: Ayes 211, Noes 280.*

**Division No. 89]**

**[8.31 pm**

#### AYES

Abbott, Ms Diane	Blackman, Kirsty
Ahmed-Sheikh, Ms Tasmina	Blackman-Woods, Dr Roberta
Alexander, Heidi	Blenkinsop, Tom
Ali, Rushanara	Blomfield, Paul
Allin-Khan, Dr Rosena	Boswell, Philip
Ashworth, Jonathan	Brabin, Tracy
Bailey, Mr Adrian	Bradshaw, rh Mr Ben
Bardell, Hannah	Brennan, Kevin
Benn, rh Hilary	Brown, Lyn
Berger, Luciana	Brown, rh Mr Nicholas
Betts, Mr Clive	Bryant, Chris

Buck, Ms Karen	Howarth, rh Mr George
Burgon, Richard	Hunt, Tristram
Butler, Dawn	Huq, Dr Rupa
Cadbury, Ruth	Hussain, Imran
Cameron, Dr Lisa	Jarvis, Dan
Campbell, rh Mr Alan	Johnson, rh Alan
Chapman, Douglas	Jones, Gerald
Chapman, Jenny	Jones, Graham
Clwyd, rh Ann	Jones, Helen
Coaker, Vernon	Jones, Mr Kevan
Coffey, Ann	Jones, Susan Elan
Cooper, Julie	Kane, Mike
Cooper, Rosie	Kendall, Liz
Cooper, rh Yvette	Kerevan, George
Coyle, Neil	Kerr, Calum
Creasy, Stella	Kyle, Peter
Cruddas, Jon	Lavery, Ian
Cryer, John	Lewell-Buck, Mrs Emma
Cummins, Judith	Lewis, Clive
Cunningham, Alex	Lewis, Mr Ivan
Cunningham, Mr Jim	Long Bailey, Rebecca
Dakin, Nic	Lucas, Caroline
Danczuk, Simon	Lucas, Ian C.
David, Wayne	Lynch, Holly
Day, Martyn	Mactaggart, rh Fiona
De Piero, Gloria	Madders, Justin
Donaldson, Stuart Blair	Mahmood, Mr Khalid
Doughty, Stephen	Mahmood, Shabana
Dowd, Jim	Malhotra, Seema
Dugher, Michael	Mann, John
Durkan, Mark	Marsden, Gordon
Eagle, Ms Angela	Maskell, Rachael
Eagle, Maria	Matheson, Christian
Efford, Clive	McCaig, Callum
Ellman, Mrs Louise	McCarthy, Kerry
Elmore, Chris	McDonagh, Siobhain
Evans, Chris	McDonald, Andy
Farrelly, Paul	McDonald, Stuart C.
Ferrier, Margaret	McDonnell, rh John
Flelo, Robert	McFadden, rh Mr Pat
Fletcher, Colleen	McGarry, Natalie
Flint, rh Caroline	McGovern, Alison
Flynn, Paul	McInnes, Liz
Fovargue, Yvonne	McMahon, Jim
Foxcroft, Vicky	Mearns, Ian
Furniss, Gill	Monaghan, Carol
Gardiner, Barry	Mulholland, Greg
Gethins, Stephen	Mullin, Roger
Gibson, Patricia	Murray, Ian
Glass, Pat	Nandy, Lisa
Glindon, Mary	Newlands, Gavin
Godsiff, Mr Roger	Nicolson, John
Goodman, Helen	O’Hara, Brendan
Grady, Patrick	Onn, Melanie
Gray, Neil	Onwurah, Chi
Green, Kate	Osamor, Kate
Greenwood, Margaret	Oswald, Kirsten
Griffith, Nia	Owen, Albert
Gwynne, Andrew	Paterson, Steven
Haigh, Louise	Pearce, Teresa
Hamilton, Fabian	Perkins, Toby
Harris, Carolyn	Phillips, Jess
Hayes, Helen	Phillipson, Bridget
Healey, rh John	Pound, Stephen
Heald, Mr Mark	Powell, Lucy
Hepburn, Mr Stephen	Pugh, John
Hermon, Lady	Rayner, Angela
Hillier, Meg	Reed, Mr Steve
Hodgson, Mrs Sharon	Rees, Christina
Hollern, Kate	Reeves, Rachel
Hopkins, Kelvin	Reynolds, Emma
Hosie, Stewart	Rimmer, Marie

Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Saville Roberts, Liz  
 Shah, Naz  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Starmer, Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham

Tami, Mark  
 Thewliss, Alison  
 Thomas, Mr Gareth  
 Thomson, Michelle  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Vaz, Valerie  
 West, Catherine  
 Whiteford, Dr Eilidh  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Williams, Mr Mark  
 Wilson, Corri  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Wishart, Pete  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Deidre Brock and**  
**Mike Weir**

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bradley, rh Karen  
 Brady, Mr Graham  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Campbell, Mr Gregory  
 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  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinanage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 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  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 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  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lilley, rh Mr Peter

Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robinson, Gavin  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian

Smith, Royston  
Soames, rh Sir Nicholas  
Solloway, Amanda  
Soubry, rh Anna  
Spelman, rh Dame Caroline  
Stephenson, Andrew  
Stevenson, John  
Stewart, Iain  
Stewart, Rory  
Streeter, Mr Gary  
Stride, Mel  
Stuart, Graham  
Sturdy, Julian  
Sunak, Rishi  
Swayne, rh Sir Desmond  
Swire, rh Sir Hugo  
Syms, Mr Robert  
Throup, Maggie  
Timpson, Edward  
Tomlinson, Justin  
Tomlinson, Michael  
Tracey, Craig  
Tredinnick, David  
Trevelyan, Mrs Anne-Marie  
Tugendhat, Tom

Turner, Mr Andrew  
Vara, Mr Shailesh  
Vickers, Martin  
Villiers, rh Mrs Theresa  
Wallace, Mr Ben  
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  
Wright, rh Jeremy  
Zahawi, Nadhim

**Tellers for the Noes:**  
**Jackie Doyle-Price and**  
**Mark Spencer**

*Question accordingly negated.*

## Clause 2

### GENERAL DUTIES

*Amendment made:* 1, page 2, line 28, at end insert—

“( ) Guidance framed by reference to a particular course of study must not guide the OfS to perform a function in a way which prohibits or requires the provision of a particular course of study.”—(*Joseph Johnson.*)

*This amendment prevents guidance given by the Secretary of State, which is framed by reference to a particular course of study, guiding the OfS to perform a function in a way which prohibits or requires the provision of a particular course. Amendments 12 and 13 place corresponding restrictions on the Secretary of State's power to impose terms and conditions of a grant to the OfS under clause 67, or to give directions under clause 70, which are framed by reference to a particular course.*

## Clause 9

### MANDATORY TRANSPARENCY CONDITION FOR CERTAIN PROVIDERS

*Amendments made:* 2, page 6, leave out lines 10 to 13.

*This amendment is consequential on amendment 3.*

*Amendment 3, page 6, line 18, at the end insert—*

“( ) The information which the OfS may request in relation to the numbers mentioned in subsection (2) includes those numbers by reference to one or more of the following—

- (a) the gender of the individuals to which they relate;
- (b) their ethnicity;
- (c) their socio-economic background.”—(*Joseph Johnson.*)

*This amendment ensures that a registered higher education provider may be required by the OfS to provide and publish information in relation to the number of offers given and accepted, and the number of students who complete their courses (in addition to the applications received) by reference to the gender, ethnicity and socio-economic background of the individuals concerned.*

## Clause 13

### OTHER INITIAL AND ONGOING REGISTRATION CONDITIONS

*Amendment made:* 4, page 8, line 17, after “plan”, insert “and to publish it”.—(*Joseph Johnson.*)

*This amendment makes clear that the OfS may impose a registration condition requiring a provider to publish a student protection plan.*

## Clause 25

### RATING THE QUALITY OF, AND THE STANDARDS APPLIED TO, HIGHER EDUCATION

*Amendment proposed:* 47, page 16, line 23, at end insert—

“(7) No arrangements for a scheme shall be made under subsection (1) unless a draft of the scheme has been laid before and approved by a resolution of both Houses of Parliament.”.—(*Gordon Marsden.*)

*This amendment and amendment 46 would ensure TEF measures were subject to scrutiny by, and approval of, both Houses of Parliament.*

*Question put, That the amendment be made.*

*The House divided: Ayes 216, Noes 277.*

## Division No. 90]

[8.44 pm

### AYES

Abbott, Ms Diane	Day, Martyn
Ahmed-Sheikh, Ms Tasmina	De Piero, Gloria
Alexander, Heidi	Donaldson, Stuart Blair
Ali, Rushanara	Doughty, Stephen
Allin-Khan, Dr Rosena	Dowd, Jim
Ashworth, Jonathan	Dugher, Michael
Bailey, Mr Adrian	Durkan, Mark
Bardell, Hannah	Eagle, Ms Angela
Benn, rh Hilary	Eagle, Maria
Berger, Luciana	Efford, Clive
Betts, Mr Clive	Ellman, Mrs Louise
Blackman, Kirsty	Elmore, Chris
Blackman-Woods, Dr Roberta	Evans, Chris
Blenkinsop, Tom	Farrelly, Paul
Blomfield, Paul	Ferrier, Margaret
Boswell, Philip	Fiello, Robert
Brabin, Tracy	Fletcher, Colleen
Bradshaw, rh Mr Ben	Flint, rh Caroline
Brennan, Kevin	Flynn, Paul
Brock, Deidre	Fovargue, Yvonne
Brown, Lyn	Furniss, Gill
Brown, rh Mr Nicholas	Gardiner, Barry
Bryant, Chris	Gethins, Stephen
Buck, Ms Karen	Gibson, Patricia
Burgon, Richard	Glass, Pat
Butler, Dawn	Glendon, Mary
Cadbury, Ruth	Godsiff, Mr Roger
Cameron, Dr Lisa	Grady, Patrick
Campbell, rh Mr Alan	Gray, Neil
Campbell, Mr Gregory	Green, Kate
Carmichael, rh Mr Alistair	Greenwood, Margaret
Chapman, Douglas	Griffith, Nia
Chapman, Jenny	Gwynne, Andrew
Clwyd, rh Ann	Haigh, Louise
Coffey, Ann	Hamilton, Fabian
Cooper, Julie	Harris, Carolyn
Cooper, Rosie	Hayes, Helen
Cooper, rh Yvette	Healey, rh John
Coyle, Neil	Hendrick, Mr Mark
Crausby, Mr David	Hepburn, Mr Stephen
Creasy, Stella	Hermon, Lady
Cruddas, Jon	Hillier, Meg
Cryer, John	Hodgson, Mrs Sharon
Cummins, Judith	Hollern, Kate
Cunningham, Alex	Hopkins, Kelvin
Cunningham, Mr Jim	Hosie, Stewart
Dakin, Nic	Howarth, rh Mr George
Danczuk, Simon	Hunt, Tristram
David, Wayne	Huq, Dr Rupa

Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Jones, Gerald  
 Jones, Graham  
 Jones, Helen  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Kendall, Liz  
 Kerevan, George  
 Kerr, Calum  
 Kyle, Peter  
 Lavery, Ian  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lucas, Ian C.  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCaig, Callum  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr Pat  
 McGarry, Natalie  
 McGovern, Alison  
 McInnes, Liz  
 McMahon, Jim  
 Mearns, Ian  
 Monaghan, Carol  
 Mulholland, Greg  
 Mullin, Roger  
 Murray, Ian  
 Nandy, Lisa  
 Newlands, Gavin  
 Nicolson, John  
 O'Hara, Brendan  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Oswald, Kirsten  
 Owen, Albert  
 Paterson, Steven  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget

Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Gavin  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Shannon, Jim  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Starmer, Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Mr Gareth  
 Thomson, Michelle  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Vaz, Valerie  
 Weir, Mike  
 West, Catherine  
 Whiteford, Dr Eilidh  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Wilson, Corri  
 Wilson, Sammy  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Wishart, Pete  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Jeff Smith**

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline

Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto

Bellingham, Sir Henry  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bradley, rh Karen  
 Brady, Mr Graham  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Cartlidge, 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  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 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  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 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, rh Mr Marcus  
 Kawczynski, Daniel  
 Kennedy, Seema  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David

Lilley, rh Mr Peter  
 Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob

Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert  
 Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Wallace, Mr Ben  
 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  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Jackie Doyle-Price and**  
**Mark Spencer**

*Question accordingly negated.*

### Clause 27

POWER OF DESIGNATED BODY TO CHARGE FEES

*Amendments made:* 5, page 17, line 7, at end insert—

“(za) charge an institution a fee for any activity undertaken, or service provided, by the body in the performance by it of functions under section 23(1) (power to assess quality and standards) in relation to the institution,”

*Clause 27(2) enables a body designated to perform the assessment functions of the OfS under clause 23 to charge a fee for activities undertaken or services provided by the body in the performance by it of functions under clause 23(2). This amendment and amendment 7 extend that power to include functions under clause 23(1) too.*

Amendment 6, page 17, line 9, leave out from “body” to end of line 12 and insert

“in the performance by it of functions under section 23(2)(a) (duty to assess to determine if initial registration condition relating to quality or standards is met) in relation to the institution, and”.

*This amendment clarifies the drafting of clause 27(2)(a) to make clear that the power is to charge a fee for activities undertaken or services provided by the designated body in the performance by it of functions under clause 23(2)(a) in relation to an institution regardless of whether the assessment in question of the institution is being carried out by the body.*

Amendment 7, page 17, line 17, at end insert—

“( ) The amount of a fee payable under subsection (2)(za) by an institution may be calculated by reference to costs incurred by the designated body in the performance by the body of functions under section 23(1) in relation to a different institution or of its general functions.

( ) The total fees payable under subsection (2)(za) must not exceed in any period of 12 months the total costs incurred by the body in that period in the performance by the body of its functions under section 23(1) and of its general functions.”

*See the explanatory statement for amendment 5.*

Amendment 8, page 17, line 18, leave out “or provider”.

*This amendment removes some unnecessary wording from clause 27(3).*

Amendment 9, page 17, line 23, leave out paragraph (b).

*This amendment removes some unnecessary wording from clause 27(3) - having set out in that provision how the fees may be calculated, it is implicit that they may not be calculated by reference to functions other than those mentioned. That is consistent with clause 27(5).*

Amendment 10, page 17, line 27, leave out “the functions” and insert “its functions”.

*This amendment and amendment 11 make clear that the limit on fees imposed by clause 27(4) and (6) includes costs incurred by the body in the performance by it of all of its functions under clause 23(2)(a) or (b) (as the case may be) and not just the functions under those provisions in relation to which the fee was charged.*

Amendment 11, page 17, line 35, leave out “the functions” and insert “its functions”.—(*Joseph Johnson.*)

*See the explanatory statement for amendment 10.*

### Clause 40

AUTHORISATION TO GRANT DEGREES ETC

*Amendment proposed:* 40, page 23, line 22, at end insert—

“(c) the OfS is assured that the provider is able to maintain the required standards of a UK degree for the duration of the authorisation; and

(d) the OfS is assured that the provider operates in students’ and the public interests.”—(*Gordon Marsden.*)

*This amendment requires the OfS to be assured about the maintenance of standards and about students’ and the public interest before issuing authorisation to grant degrees.*

*Question put, That the amendment be made.*

*The House divided: Ayes 212, Noes 281.*

**Division No. 91]**

**[8.55 pm**

**AYES**

Abbott, Ms Diane  
 Ahmed-Sheikh, Ms Tasmina  
 Alexander, Heidi  
 Ali, Rushanara  
 Allin-Khan, Dr Rosena  
 Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blenkinsop, Tom  
 Blomfield, Paul  
 Boswell, Philip  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Butler, Dawn  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Carmichael, rh Mr Alistair  
 Chapman, Douglas  
 Chapman, Jenny  
 Clwyd, rh Ann  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Coyle, Neil  
 Crausby, Mr David  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 Danczuk, Simon  
 David, Wayne  
 Day, Martyn  
 De Piero, Gloria  
 Donaldson, Stuart Blair  
 Doughty, Stephen  
 Dowd, Jim  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Ms Angela  
 Eagle, Maria  
 Efford, Clive  
 Ellman, Mrs Louise  
 Elmore, Chris  
 Evans, Chris  
 Farrelly, Paul  
 Ferrier, Margaret  
 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  
 Grady, Patrick  
 Gray, Neil  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Hunt, Tristram  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Jones, Gerald  
 Jones, Graham  
 Jones, Helen  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Kendall, Liz  
 Kerevan, George  
 Kerr, Calum  
 Kyle, Peter  
 Lavery, Ian  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lucas, Ian C.  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon  
 Maskell, Rachael  
 Matheson, Christian  
 McCaig, Callum  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stuart C.  
 McDonnell, rh John

McFadden, rh Mr Pat  
 McGarry, Natalie  
 McGovern, Alison  
 McInnes, Liz  
 McMahon, Jim  
 Mearns, Ian  
 Monaghan, Carol  
 Mulholland, Greg  
 Mullin, Roger  
 Murray, Ian  
 Nandy, Lisa  
 Newlands, Gavin  
 Nicolson, John  
 O'Hara, Brendan  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Oswald, Kirsten  
 Owen, Albert  
 Paterson, Steven  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Reynolds, Emma  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Sheppard, Tommy  
 Sherriff, Paula

Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Starmar, Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Mr Gareth  
 Thomson, Michelle  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Vaz, Valerie  
 Weir, Mike  
 West, Catherine  
 Whiteford, Dr Eilidh  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Wilson, Corri  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Wishart, Pete  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Vicky Foxcroft and**  
**Jeff Smith**

**NOES**

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bradley, rh Karen  
 Brady, Mr Graham  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conon  
 Burns, rh Sir Simon  
 Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Campbell, Mr Gregory  
 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  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey

Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan  
 Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 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  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin

Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 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  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lilley, rh Mr Peter  
 Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy

Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom  
 Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robinson, Gavin  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain

Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo  
 Syms, Mr Robert  
 Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Tredinnick, David  
 Trevelyan, Mrs Anne-Marie  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Wallace, Mr Ben  
 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  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
**Jackie Doyle-Price and**  
**Mark Spencer**

*Question accordingly negated.*

9.6 pm

*Proceedings interrupted (Order, 19 July and 5 September).*

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

### Clause 67

GRANTS FROM THE SECRETARY OF STATE

*Amendment made:* 12, page 41, line 41, at end insert—

“( ) Terms and conditions under subsection (1) framed by reference to a particular course of study must not require the OfS to perform a function in a way which prohibits or requires the provision of a particular course of study.”—(*Joseph Johnson.*)

*See the explanatory statement for amendment 1.*

### Clause 70

SECRETARY OF STATE'S POWER TO GIVE DIRECTIONS

*Amendment made:* 13, page 44, line 8, at end insert—

“( ) Directions under subsection (1) framed by reference to a particular course of study must not direct the OfS to perform a function in a way which prohibits or requires the provision of a particular course of study.”—(*Joseph Johnson.*)

*See the explanatory statement for amendment 1.*

**Clause 79****POWER TO MAKE ALTERNATIVE PAYMENTS**

*Amendments made:* 14, page 50, line 23, leave out “Secretary of State’s opinion” and insert

“opinion of the person making the regulations concerned”.

*This amendment reflects the fact that the Welsh Ministers will have the function of making regulations for alternative payments in relation to Wales.*

Amendment 15, page 50, line 34, leave out “and (f)” and insert “to (h)”.

*This amendment provides that the Secretary of State has the function in relation to Wales (instead of the Welsh Ministers) of making provision in regulations about the effect, in relation to the alternative payment regime, of a person entering an individual voluntary arrangement.*

Amendment 16, page 50, line 37, leave out subsection (10).—(*Joseph Johnson.*)

*This amendment leaves out an unnecessary provision.*

**Clause 86****UK RESEARCH AND INNOVATION FUNCTIONS**

*Amendment made:* 17, page 55, line 3, at end insert—

“( ) The functions conferred by subsection (1)(a) to (e) include, in particular, power to encourage and support the provision of postgraduate training in science, technology, humanities and new ideas.”—(*Joseph Johnson.*)

*This amendment makes clear that the functions of UKRI under clause 86(1)(a) to (e) include the power to encourage and support the provision of postgraduate training in science, technology, humanities and new ideas.*

**Clause 95****SECRETARY OF STATE’S POWER TO GIVE DIRECTIONS TO UKRI**

*Amendment proposed:* 56, page 59, line 45, at end insert—

“(6) In giving direction to UKRI, the Secretary of State must act in the best interests of all constituent parts of the United Kingdom and, before giving such direction, must consult on research and innovation policies and their priorities with the following—

- (a) the Scottish Government,
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive.

(7) Before giving any direction to UKRI under subsection (1), the Secretary of State must seek agreement to the terms of that direction from—

- (a) the Scottish Government,
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive.”—(*Carol Monaghan.*)

*This amendment would place a duty on the Secretary of State such that before giving directions to the UKRI in regards to research priorities, the Secretary of State must consult the devolved administrations.*

*Question put, That the amendment be made.*

*The House divided: Ayes 217, Noes 275.*

**Division No. 92]****[9.6 pm****AYES**

Abbott, Ms Diane	Allin-Khan, Dr Rosena
Ahmed-Sheikh, Ms Tasmina	Ashworth, Jonathan
Alexander, Heidi	Bailey, Mr Adrian
Ali, Rushanara	Bardell, Hannah

Benn, rh Hilary	Greenwood, Margaret
Berger, Luciana	Griffith, Nia
Betts, Mr Clive	Gwynne, Andrew
Blackman, Kirsty	Haigh, Louise
Blackman-Woods, Dr Roberta	Hamilton, Fabian
Blenkinsop, Tom	Harris, Carolyn
Blomfield, Paul	Hayes, Helen
Boswell, Philip	Healey, rh John
Brabin, Tracy	Hendrick, Mr Mark
Bradshaw, rh Mr Ben	Hendry, Drew
Brennan, Kevin	Hepburn, Mr Stephen
Brown, Lyn	Hermon, Lady
Brown, rh Mr Nicholas	Hillier, Meg
Bryant, Chris	Hodgson, Mrs Sharon
Buck, Ms Karen	Hollern, Kate
Burgon, Richard	Hopkins, Kelvin
Butler, Dawn	Hosie, Stewart
Cadbury, Ruth	Howarth, rh Mr George
Cameron, Dr Lisa	Hunt, Tristram
Campbell, rh Mr Alan	Huq, Dr Rupa
Campbell, Mr Gregory	Hussain, Imran
Carmichael, rh Mr Alistair	Jarvis, Dan
Chapman, Douglas	Johnson, rh Alan
Chapman, Jenny	Jones, Gerald
Clwyd, rh Ann	Jones, Graham
Coffey, Ann	Jones, Helen
Cooper, Julie	Jones, Mr Kevan
Cooper, Rosie	Jones, Susan Elan
Cooper, rh Yvette	Kane, Mike
Coyle, Neil	Kendall, Liz
Crausby, Mr David	Kerevan, George
Creasy, Stella	Kerr, Calum
Cruddas, Jon	Kyle, Peter
Cryer, John	Lavery, Ian
Cummins, Judith	Lewell-Buck, Mrs Emma
Cunningham, Alex	Lewis, Clive
Cunningham, Mr Jim	Lewis, Mr Ivan
Dakin, Nic	Long Bailey, Rebecca
Danczuk, Simon	Lucas, Caroline
David, Wayne	Lucas, Ian C.
Day, Martyn	Lynch, Holly
De Piero, Gloria	Mactaggart, rh Fiona
Donaldson, Stuart Blair	Madders, Justin
Doughty, Stephen	Mahmood, Mr Khalid
Dowd, Jim	Mahmood, Shabana
Dugher, Michael	Malhotra, Seema
Durkan, Mark	Mann, John
Eagle, Ms Angela	Marris, Rob
Eagle, Maria	Marsden, Gordon
Efford, Clive	Maskell, Rachael
Ellman, Mrs Louise	Matheson, Christian
Elmore, Chris	McCaig, Callum
Evans, Chris	McCarthy, Kerry
Farrelly, Paul	McDonagh, Siobhain
Ferrier, Margaret	McDonald, Andy
Flelo, Robert	McDonald, Stuart C.
Fletcher, Colleen	McDonnell, rh John
Flint, rh Caroline	McFadden, rh Mr Pat
Flynn, Paul	McGarry, Natalie
Fovargue, Yvonne	McGovern, Alison
Foxcroft, Vicky	McInnes, Liz
Furniss, Gill	McMahon, Jim
Gardiner, Barry	Mearns, Ian
Gethins, Stephen	Monaghan, Carol
Gibson, Patricia	Mulholland, Greg
Glass, Pat	Mullin, Roger
Glindon, Mary	Murray, Ian
Godsiff, Mr Roger	Nandy, Lisa
Goodman, Helen	Newlands, Gavin
Grady, Patrick	Nicolson, John
Gray, Neil	O’Hara, Brendan
Green, Kate	Onn, Melanie

Onwurah, Chi  
 Osamor, Kate  
 Oswald, Kirsten  
 Owen, Albert  
 Paterson, Steven  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Gavin  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Shannon, Jim  
 Sheppard, Tommy  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela

Smith, Cat  
 Smith, Jeff  
 Smith, Nick  
 Smith, Owen  
 Smyth, Karin  
 Starmer, Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Mr Gareth  
 Thomson, Michelle  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen  
 Vaz, Valerie  
 West, Catherine  
 Whiteford, Dr Eilidh  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Wilson, Corri  
 Wilson, Sammy  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Wishart, Pete  
 Zeichner, Daniel

**Tellers for the Ayes:**  
**Deidre Brock and**  
**Mike Weir**

#### NOES

Adams, Nigel  
 Afriyie, Adam  
 Aldous, Peter  
 Allan, Lucy  
 Allen, Heidi  
 Amess, Sir David  
 Andrew, Stuart  
 Ansell, Caroline  
 Argar, Edward  
 Atkins, Victoria  
 Bacon, Mr Richard  
 Baker, Mr Steve  
 Baldwin, Harriett  
 Barclay, Stephen  
 Barwell, Gavin  
 Bebb, Guto  
 Bellingham, Sir Henry  
 Beresford, Sir Paul  
 Berry, Jake  
 Berry, James  
 Bingham, Andrew  
 Blackman, Bob  
 Blackwood, Nicola  
 Blunt, Crispin  
 Bone, Mr Peter  
 Borwick, Victoria  
 Bradley, rh Karen  
 Brady, Mr Graham  
 Brazier, Mr Julian  
 Bridgen, Andrew  
 Brokenshire, rh James  
 Bruce, Fiona  
 Buckland, Robert  
 Burns, Conor  
 Burns, rh Sir Simon

Burrowes, Mr David  
 Burt, rh Alistair  
 Cairns, rh Alun  
 Cartlidge, James  
 Cash, Sir William  
 Caulfield, Maria  
 Chalk, Alex  
 Chishty, Rehman  
 Churchill, Jo  
 Clarke, rh Mr Kenneth  
 Cleverly, James  
 Clifton-Brown, Geoffrey  
 Coffey, Dr Thérèse  
 Collins, Damian  
 Colville, Oliver  
 Costa, Alberto  
 Courts, Robert  
 Cox, Mr Geoffrey  
 Crabb, rh Stephen  
 Crouch, Tracey  
 Davies, Byron  
 Davies, Chris  
 Davies, David T. C.  
 Davies, Glyn  
 Davies, Dr James  
 Davies, Mims  
 Davies, Philip  
 Dinenage, Caroline  
 Djanogly, Mr Jonathan  
 Double, Steve  
 Dowden, Oliver  
 Drax, Richard  
 Drummond, Mrs Flick  
 Duddridge, James  
 Duncan, rh Sir Alan

Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Francois, rh Mr Mark  
 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  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 James, Margot  
 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  
 Kirby, Simon  
 Knight, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lewis, rh Dr Julian  
 Lidington, rh Mr David  
 Lilley, rh Mr Peter  
 Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 McPartland, Stephen  
 Menzies, Mark  
 Mercer, Johnny  
 Merriman, Huw  
 Metcalfe, Stephen  
 Miller, rh Mrs Maria  
 Milling, Amanda  
 Mills, Nigel  
 Milton, rh Anne  
 Mitchell, rh Mr Andrew  
 Mordaunt, Penny  
 Morgan, rh Nicky  
 Morris, Anne Marie  
 Morris, David  
 Morris, James  
 Morton, Wendy  
 Mowat, David  
 Mundell, rh David  
 Murrison, Dr Andrew  
 Neill, Robert  
 Newton, Sarah  
 Nokes, Caroline  
 Norman, Jesse  
 Nuttall, Mr David  
 Offord, Dr Matthew  
 Opperman, Guy  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Pritchard, Mark  
 Pursglove, Tom

Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo

Syms, Mr Robert  
 Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, Mrs Anne-Marie  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Wallace, Mr Ben  
 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  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**  
 Jackie Doyle-Price and  
 Mark Spencer

*Question accordingly negated.*

### Clause 112

#### REGULATIONS

*Amendments made:* 18, page 66, line 23, leave out “or repeals” and insert “, repeals or revokes”.

*This is a minor and technical amendment which ensures that clause 112(2)(f) refers to the revocation of a provision of a Royal Charter (rather than to the repeal of the provision) - revocation being the appropriate terminology in the case of a Royal Charter.*

Amendment 19, page 66, line 34, after “provision”, insert  
 “, and

( ) include provision framed by reference to matters determined or published by the OfS.”—(*Joseph Johnson.*)

*This amendment ensures that regulations under the Bill may be framed by reference to matters determined or published by the OfS - for example, by reference to the part of the register in which an English higher education provider is registered.*

### Clause 116

#### EXTENT

*Amendment made:* 20, page 67, line 26, at end insert—

“( ) Section 79(9)—

(a) so far as it relates to section 22(4B)(e) of the Teaching and Higher Education Act 1998, also extends to Scotland and Northern Ireland;

(b) so far as it relates to section 22(4B)(f), (g) and (h) of that Act, also extends to Northern Ireland.”—(*Joseph Johnson.*)

*This minor and technical amendment gives clause 79(9) (which, as amended by amendment 15, relates to new section 22(4B)(e), (f), (g) and (h) of the Teaching and Higher Education Act 1998) the same extent as the provisions to which it relates (see clause 116(4)).*

## Schedule 1

### THE OFFICE FOR STUDENTS

*Amendments made:* 21, page 69, line 37, at end insert—

“( ) But at least one of the ordinary members must have experience of representing or promoting the interests of individual students, or students generally, on higher education courses provided by higher education providers.”

*This amendment requires that at least one of the ordinary members of the OfS has experience of representing or promoting the interests of students in higher education.*

Amendment 22, page 71, line 2, leave out “, allowances and expenses”.

*This amendment removes an unnecessary reference in paragraph 6(1) of Schedule 1 to allowances and expenses for members of the OfS as they are covered in paragraph 6(2).*

Amendment 23, page 71, line 18, leave out “, allowances and expenses”.

*This amendment is consequential on amendment 24.*

Amendment 24, page 71, line 20, at end insert—

“( ) The OfS must pay, or make provision for paying, to or in respect of a person who is an employee of the OfS, such sums as the OfS may determine with the approval of the Secretary of State in respect of allowances or expenses.”

*This amendment makes the duty to pay allowances and expenses to OfS’s employees consistent with the power to pay such allowances and expenses to former employees inserted by amendment 25.*

Amendment 25, page 71, line 20, at end insert—

“( ) The OfS may pay, or make provision for paying—

(a) to or in respect of a person who is or has been an employee of the OfS, such sums as the OfS may determine with the approval of the Secretary of State in respect of pensions or gratuities, and

(b) to or in respect of a person who has been an employee of the OfS, such sums as the OfS may determine with the approval of the Secretary of State in respect of allowances or expenses.”—(*Joseph Johnson.*)

*This amendment makes clear that the OfS has power, subject to approval by the Secretary of State, to make pension provision for its employees and former employees other than under the Superannuation Act 1972 (as provided for in paragraph 7(4) of Schedule 1), to pay them gratuities and to pay former employees allowances or expenses. The power in relation to non-civil service pensions is intended to be used in relation to staff transferring to the OfS.*

## Schedule 4

### ASSESSING HIGHER EDUCATION: DESIGNATED BODY

*Amendments made:* 26, page 79, line 6, leave out paragraph 1.

*See explanatory statement for amendment 28.*

Amendment 27, page 79, line 13, leave out from beginning to “consult” in line 14 and insert “The OfS may”.

*See the explanatory statement for amendment 28.*

Amendment 28, page 79, line 31, leave out subparagraphs (4) and (5) and insert—

“*Recommendation*

2A (1) This paragraph applies where the OfS has consulted in accordance with paragraph 2.

(2) The OfS must consider whether there is a body that is suitable to perform the assessment functions.

(3) If the OfS considers that there is only one body that is suitable to perform the assessment functions, the OfS must recommend that body to be designated to perform those functions.

(4) If the OfS considers that there is more than one body that is suitable to perform the assessment functions, the OfS must recommend the most appropriate body to be designated to perform those functions.

(5) ‘The most appropriate body’ means, out of those bodies, the body whose designation the OfS considers would be most appropriate for securing the effective assessment of the quality of, and the standards applied to, higher education provided by English higher education providers.

(6) If the OfS considers that there is no body that is suitable to perform the assessment functions, the OfS may not recommend a body to be designated to perform those functions.

(7) The OfS must—

- (a) notify the Secretary of State of its recommendation or that no recommendation is made, and
- (b) publish that notification.”

*This amendment and amendments 26 and 27 make changes to clarify when and how the OfS may recommend to the Secretary of State that a body is suitable to be designated to perform the assessment functions. The new paragraph 2A replaces paragraphs 1 and 2(4) and (5) of Schedule 4.*

Amendment 29, page 79, line 37, leave out “paragraphs 1 and 2” and insert “paragraph 2A”.—(*Joseph Johnson.*)

*This amendment is consequential on amendments 26 and 28.*

### Schedule 6

#### ENGLISH HIGHER EDUCATION INFORMATION: DESIGNATED BODY

*Amendments made:* 30, page 88, line 22, leave out paragraph 1.

*See the explanatory statement for amendment 32.*

Amendment 31, page 88, line 27, leave out from beginning to “consult” in line 28 and insert “The OfS may”.

*See the explanatory statement for amendment 32.*

Amendment 32, page 89, line 5, leave out subparagraphs (4) and (5) and insert—

“*Recommendation*

2A (1) This paragraph applies where the OfS has consulted in accordance with paragraph 2.

(2) The OfS must consider whether there is a body that is suitable to be designated under this Schedule.

(3) If the OfS considers that there is only one body that is suitable to be designated under this Schedule, the OfS must recommend the designation of that body under this Schedule.

(4) If the OfS considers that there is more than one body that is suitable to be designated under this Schedule, the OfS must recommend the designation under this Schedule of whichever one of those bodies it considers appropriate.

(5) If the OfS considers that there is no body that is suitable to be designated under this Schedule, the OfS may not recommend the designation of a body under this Schedule.

(6) The OfS must—

- (a) notify the Secretary of State of its recommendation or that no recommendation is made, and
- (b) publish that notification.”

*This amendment and amendments 30 and 31 make changes to clarify when and how the OfS may recommend to the Secretary of State that a body should be designated under Schedule 6. The new paragraph 2A replaces paragraphs 1 and 2(4) and (5) of Schedule 6.*

Amendment 33, page 89, line 11, leave out “paragraphs 1 and 2” and insert “paragraph 2A”.

*This amendment is consequential on amendments 30 and 32.*

Amendment 34, page 89, line 14, after “body”, insert “for the purposes of section 59”.—(*Joseph Johnson.*)

*This amendment is consequential on amendment 30.*

### Schedule 9

#### UNITED KINGDOM RESEARCH AND INNOVATION

*Amendment made:* 35, page 98, line 39, at end insert—

“( ) The Secretary of State must, in appointing the members of UKRI, have regard to the desirability of the members including at least one person with relevant experience in relation to at least one of Wales, Scotland and Northern Ireland.

( ) ‘Relevant experience’ means experience of one or more of the following—

- (a) research into science, technology, humanities or new ideas;
- (b) the development or exploitation of science, technology, new ideas or advancements in humanities;
- (c) industrial, commercial or financial matters or the practice of any profession.”—(*Joseph Johnson.*)

*This amendment requires the Secretary of State, when appointing members of UKRI, to have regard to the desirability of at least one of the members having relevant experience in relation to at least one of Wales, Scotland and Northern Ireland. “Relevant experience” is defined in the amendment.*

**Mr Speaker:** Our consideration having been completed, I will now suspend the House for no more than five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will table the appropriate consent motions. Copies of the consent motions will be available shortly in the Vote Office and will be distributed by the Doorkeepers.

9.17 pm

*Sitting suspended.*

9.22 pm

*On resuming—*

**Mr Speaker:** I can now inform the House of my decision about certification. For the purposes of Standing Order No. 83L(2), I have certified clause 81 of the Higher Education and Research Bill as relating exclusively to England and Wales and within devolved legislative competence; and clause 56 and schedule 5 as relating exclusively to England and within devolved legislative competence. Under paragraphs (4) and (5) of Standing Order No. 83L, I have also certified the following amendments as relating exclusively to England: amendments 109, and 243 to 245 made in Public Bill Committee to clause 80 of the Bill as introduced (Bill 4), now clause 81 of the Bill as amended in the Public Bill Committee (Bill 78). Copies of my certificate are available in the Vote Office.

Under Standing Order No. 83M, consent motions are therefore required for the Bill to proceed. Does the Minister intend to move the consent motions?

**Joseph Johnson indicated assent.**

*The House forthwith resolved itself into the Legislative Grand Committee (England and Wales) (Standing Order No. 83M).*

NATASHA ENGEL *in the Chair*

*Motion made, and Question put forthwith (Standing Order No. 83E),*

That the Committee consents to the following certified clause of the Higher Education and Research Bill:

*Clauses and schedules certified under Standing Order 83L(2) as relating exclusively to England and Wales and being within devolved competence*

Clause 81 of the Bill (Bill 78)—(*Joseph Johnson.*)

*Question agreed to.*

*The House forthwith resolved itself into the Legislative Grand Committee (England) (Standing Order No. 83M(4)(d)).*

*Motion made, and Question put forthwith (Standing Order No. 83M(4)(d)),*

That the Committee consents to the following certified clauses and schedules of the Higher Education and Research Bill and certified amendments made by the House to the Bill:

*Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence*

Clause 56 of and Schedule 5 to the Bill (Bill 78);

*Amendments certified under Standing Order No. 83L(4) as relating exclusively to England*

Amendments 109, 243, 244 and 245 made in the Public Bill Committee to clause 80 of the Bill as introduced (Bill 4), which is Clause 81 of the Bill as amended in the Public Bill Committee (Bill 78)—(*Joseph Johnson.*)

*Question agreed to.*

*The occupant of the Chair left the Chair to report the decisions of the Committees (Standing Order No. 83M(6)).*

*The Speaker resumed the Chair; decisions reported.*

*Third Reading*

*Queen's consent signified.*

9.28 pm

**Joseph Johnson:** I beg to move, That the Bill be now read the Third time.

Let me first convey my thanks to those from all parts of the House and those outside who have given their time and expertise to help to strengthen and improve this important and much needed Bill. We have been listening carefully to all the points made during the debates on the Bill, and I am pleased that the Bill has received such thorough scrutiny in this House.

We are reforming the complicated and outdated regulatory landscape. We are giving students more choice, driving up quality and ensuring our world-class research and innovation sector can maintain its standing in these ever more challenging times.

As we have heard from those in the sector, our reforms will make a real difference. I remind the House why the Bill is so important and so firmly in the national interest. The current regulation of the system reflects a bygone era of grant funding, elite access and student number controls. Things have moved on and we must catch up. We are therefore putting in place the robust regulatory framework that is needed. It joins up the regulation of the market and will give us a “best in class” regulatory system. This is essential to ensure that students are protected and that students and the taxpayer receive good value for money from the system.

The Bill will also create a level playing field, making it easier for new providers to enter, but only if they can demonstrate the potential to deliver high-quality provision. New universities will drive more diversity and innovation and more choice for students; elicit competitive pressure to drive up quality; and provide employers with more of the skills our economy needs. Nowhere has this been better demonstrated than by the announcement last month that Sir James Dyson, one of this country's greatest inventors, is creating a new Dyson Institute of Technology. Dyson intends to take advantage of our planned reforms to give high-quality institutions a direct route to degree-awarding powers and university status in their own right. It will equip students and future employees with the skills that will be vital to the growth and productivity of our economy.

We have seen recently that new providers, such as the Dyson Institute, can be recognised as some of the most respected within the sector. The University of Buckingham was ranked first for teaching quality in *The Times Good University Guide* for 2015-16, while the University of Law, which became a university only in 2012, was joint first for overall student satisfaction in this year's national student survey.

Our reforms to our research system, which draw on the Nurse review, have also been widely welcomed. As Venki Ramakrishnan, president of the Royal Society, recently commented in *Nature*:

“UK Research and Innovation... will boost cooperation among the research councils; allow a more flexible, interdisciplinary approach to global challenges; and position research at the heart of a new industrial strategy”,

just as Sir Paul Nurse envisaged in the review we are now implementing.

Those are just a few of the important aspects of our reforms, but as we arrive at the final stage of the Bill's passage through this House, before its transfer to the other place, I want to take this opportunity to explain how the Government have listened and how the Bill has changed since it was first introduced. Our reforms place students at the heart of higher education regulation. I have always been clear that experience of representing or promoting the interests of students is a key criterion in appointing the board of the new market regulator, the office for students, but we heard concerns that that was not sufficient, so we have strengthened our proposals. Through amendments agreed today, we will ensure that the OFS always has a board member with experience of representing or promoting the interests of students.

We have also listened carefully to university representative bodies. Institutional autonomy has been the foundation of the success of our higher education system. Through the Bill we are fully committed to recognising the fundamental and ongoing importance of academic freedom. To that end, the Bill creates numerous and robust safeguards ensuring protection of academic freedom and institutional autonomy at all times. Today, I have clarified in the Bill our clear intention that the Government, when giving guidance or directions to the OFS, or setting conditions of grant framed by reference to particular courses of study, will not have the ability to compel the OFS to perform any of its functions in a way that prohibits or requires the provision of particular courses. Many people told me that they wanted the OFS to take more of a role in monitoring the financial sustainability

[Joseph Johnson]

of the sector, working closely with UKRI as needed, to protect and enhance its reputation. We are enshrining that duty in law through the amendment agreed today.

The Bill is not just about reforming how we will regulate higher education institutions; we are also creating a body to strengthen the UK's world-class capabilities in research and innovation. UKRI has a UK-wide remit. As I explained in Committee, to deliver that and our overall integrated and strategic ambitions for the new body, UKRI must have a proper understanding of the systems operating in all parts of the UK, and I am pleased we have agreed an amendment that will ensure that. We have also responded to the community's feedback in recognising the important role that UKRI will play in supporting postgraduate training working together with the OFS.

The Government remain committed to ensuring that our higher education sector retains its international standing. The reforms in the Bill are crucial in enabling us to do so. I am grateful to the hon. Members for taking the time to scrutinise and contribute to this important Bill, and I commend it to the House.

9.34 pm

**Gordon Marsden:** I associate myself with the Minister's thanks to all who have contributed to the Bill, most especially to my hon. Friends who served in such a sterling fashion on the Public Bill Committee. We have also had a huge number of responses, as the Minister said, from the university sector and indeed other sectors, which underlines the importance of getting a Bill such as this one right.

The Minister said, no doubt feeling released from the scrutiny of this House, that we were escaping a bygone era, but more than once during the previous course of the Bill and again this afternoon, I got a sense of 20th-century déjà vu in respect of a naive belief in unproven and unregulated competition. It seemed that nothing had changed since 23 June, whereas of course, everything has changed.

The aspect that we criticised most as the Bill was taken forward is that we have seen no sense of adjusting to the realities of Brexit, and no indication that it might have been sensible to have paused and reflected on what structural change, particularly regarding the new providers, might do for our higher education sector—not just in England, but across the whole of the United Kingdom.

The Government could have given pre-legislative scrutiny to this Bill; but they did not. They could have conceded, frankly, far more than they did in Committee. SNP Members as well as Labour Members put forward positive suggestions, but very few of them were taken into account. I welcome what the Minister said about students, but to be honest, I have to say to the Minister that this is a pretty poor start at this stage.

What is happening? The Government are not looking beyond Horizon 2020; they are not looking beyond the European structural and investment funding, and the £2 million that the Minister trumpeted today for the industrial strategy will not go too far in dealing with the immense problems we are going to have to face out of Brexit. Too often, when the Government had the opportunity to reach out in Committee, we got civil service boilerplate.

I went back and looked at what I said on Second Reading, and to be honest, I cannot see much of a need to change what I said then. I said:

“Instead of looking at urgently needed and constructive ways of reducing the financial fees burden on our students, the Government have produced mechanisms which dodge Parliament's ability to judge and regulate them.”

We have talked about that again today. I continued:

“Instead of strengthening and shoring up our universities and higher and further education at a most critical time, they risk seriously undermining them by obsessively pursuing a market ideology. Instead of presenting analysis in the wake of Brexit, offering relief, assurances and strategies to safeguard both research excellence in our traditional and modern universities and the involvement of higher education in the local communities and economies that they serve, the Government have presented no answers to the urgent threats”.—[*Official Report*, 19 July 2016; Vol. 613, c. 728.]

As a result, as I indicated this afternoon, the Government have managed to alienate diverse groups of people. In the process, they have treated lightly in the Bill issues such as academic autonomy. They have missed opportunities to be forward thinking.

I have already mentioned the throwback to the 20th century in the naive way in which the Minister seemed to believe in terms such as competition. If I did not know the Minister better, I might have thought that he was a disciple of Ayn Rand and wanted to go back to the 1950s. Nowhere in the Bill are there adequate protections for students or for existing institutions. The Bill does nothing to support them in that way. In the process, as I have said, the Government have tried to do everything to avoid scrutiny of their new institutions by the House in the future. That will come back to bite them when the first of these innovations goes wrong.

We did manage to prise one thing out of the Minister in Committee. We expressed concern about rogue providers, and asked who would bear the costs of the OFS. We obtained some snapshots from a technical paper which showed that, increasingly, the costs would be covered by higher education providers; and who will provide the money for the HE providers? The students: the same students who have been double-crossed over the threshold by the Government—the same Government who have jeopardised the life chances of tens of thousands of young people by scrapping maintenance grants and replacing them with loans which they may or may not take up, and the same Government who have moved too slowly, too feebly, to address issues of reskilling and higher education which affect people throughout their lives and which we have done our best to bring to the fore in this Bill.

The Government have done too little, too late. I would have genuinely liked to come to the House today and say that we were satisfied with what the Minister had said and with the changes that he had made, but I am afraid that we cannot be satisfied at this stage. The Government have left an enormous number of question marks for the other place, which must carry out due diligence. I believe that the other place will do that, but the Bill, as it stands, represents a lost opportunity. It has failed in its overarching aims for social mobility, and that is why, with regret, we cannot support it and will vote against Third Reading tonight.

9.42 pm

**Carol Monaghan:** Let me begin by associating myself with what was said by the Minister and the hon. Member for Blackpool South (Gordon Marsden) in thanking

those who were involved in the preparation of the Bill, and all the stakeholders who have provided input for the Bill and supplied excellent briefings throughout its passage.

Despite the raciness of the Bill, we still have concerns about many aspects of it, some of which affect Scotland directly. Although Scottish higher education providers will not be bound to participate in the teaching excellence framework, it is feared that Scottish universities that do not participate will be disadvantaged when it comes to attracting international students, who are a crucial source of funding for all higher education institutions. That is compounded by the Government's refusal to reinstate post-study work visas, despite calls from HE institutions throughout the United Kingdom, as well as business leaders and all political parties in Scotland. Now Brexit has been added to the mix, along with the reputational damage that it has done to UK higher education internationally. There are serious issues in the sphere of higher education, and we should be addressing them before we proceed with the Bill.

**Patrick Grady** (Glasgow North) (SNP): My hon. Friend is making very clear why so much of the Bill is important to our constituents in Scotland, and not least to the University of Glasgow, which is in my constituency. Does she share my concern about the fact that what we witnessed a few moments ago in the Grand Legislative Committee procedure makes a mockery of the scrutiny that ought to be given to clauses that affect England and Wales in particular? Does she also agree that if there is an answer to the West Lothian question, the current “English votes for English laws” procedures certainly are not it?

**Carol Monaghan:** I am not sure who those procedures served, but I cannot imagine that they served the people of England particularly well.

The establishment of UKRI without a proper devolved voice—a voice that would understand the distinct nature of Scotland's research landscape—could lead to a lack of consideration among the decision-making bodies of the research councils and Innovate UK of Government priorities and research needs in Scotland and other devolved nations. We welcome the Government's movement on that in their amendment, but it simply does not go far enough or offer the guarantee we sought.

Scotland is already disadvantaged in terms of infrastructure spend for research—it currently attracts only about 5% of UK spending. Therefore, to prevent further leakage of funding or continued disparities, the firewall between the HEFCE and the rest of the UKRI must be in place. That would ensure not only that funding followed excellence but that the vibrant research community in all devolved nations continued to flourish.

Like the hon. Member for Blackpool South (Gordon Marsden), SNP Members have concerns and are not able to support the Bill's passage tonight.

9.45 pm

**Dr Blackman-Woods:** I rise to echo some of the comments of my hon. Friend the Member for Blackpool South (Gordon Marsden) from the Front Bench. We can agree with some of the Bill. I do not think any Labour Member has a problem in principle with putting a teaching excellence framework in place. We think that it is a necessary corrective for many of our institutions

to ensure that teaching gets the same level of applause as research currently does. However, even though we are on Third Reading, we do not have enough information about how the TEF will work in practice and whether it will measure teaching quality, or use proxy measures. We know that the metrics still have to be sorted. From now on, we will have to rely on the other place to scrutinise that matter and the issue of how the traffic light system will come into operation and whether it will be used in any way for the recruitment of students, particularly international students.

Other issues remain unresolved relating to the quality of new entrants, what they will do and the services they will provide to students in addition to their degree course. There are issues to be resolved about how UKRI and the OFS will provide holistic oversight to the sector and work together. There are issues about how higher education relates to the needs of part-time and mature students. There are a number of unanswered questions, which Members in the other place will have to examine in more detail, as they will student finance and the increasing demands that are being imposed in that regard. As my hon. Friend said, another issue is how all this is going to make sense to universities in the context of Brexit. Therefore, we are handing over to the other place quite a list of challenges, and I wish it well in further scrutinising the Bill.

*Question put,* That the Bill be now read the Third time.

*The House divided:* Ayes 279, Noes 214.

**Division No. 93]**

**[9.48 pm**

**AYES**

Adams, Nigel	Burt, rh Alistair
Afriyie, Adam	Cairns, rh Alun
Aldous, Peter	Campbell, Mr Gregory
Allan, Lucy	Cartledge, James
Amess, Sir David	Cash, Sir William
Andrew, Stuart	Caulfield, Maria
Ansell, Caroline	Chalk, Alex
Argar, Edward	Chishti, Rehman
Atkins, Victoria	Churchill, Jo
Bacon, Mr Richard	Clarke, rh Mr Kenneth
Baker, Mr Steve	Cleverly, James
Baldwin, Harriett	Clifton-Brown, Geoffrey
Barclay, Stephen	Coffey, Dr Thérèse
Barwell, Gavin	Collins, Damian
Bebb, Guto	Colville, Oliver
Bellingham, Sir Henry	Costa, Alberto
Beresford, Sir Paul	Courts, Robert
Berry, Jake	Cox, Mr Geoffrey
Berry, James	Crabb, rh Stephen
Bingham, Andrew	Crouch, Tracey
Blackman, Bob	Davies, Byron
Blackwood, Nicola	Davies, Chris
Blunt, Crispin	Davies, David T. C.
Bone, Mr Peter	Davies, Glyn
Borwick, Victoria	Davies, Dr James
Bradley, rh Karen	Davies, Mims
Brady, Mr Graham	Davies, Philip
Brazier, Mr Julian	Dinenage, Caroline
Bridgen, Andrew	Djanogly, Mr Jonathan
Brokenshire, rh James	Double, Steve
Bruce, Fiona	Dowden, Oliver
Buckland, Robert	Drax, Richard
Burns, Conor	Drummond, Mrs Flick
Burns, rh Sir Simon	Duddridge, James
Burrowes, Mr David	Duncan, rh Sir Alan

Dunne, Mr Philip  
 Ellis, Michael  
 Ellison, Jane  
 Ellwood, Mr Tobias  
 Elphicke, Charlie  
 Eustice, George  
 Evans, Graham  
 Evans, Mr Nigel  
 Evennett, rh David  
 Fabricant, Michael  
 Fallon, rh Sir Michael  
 Fernandes, Suella  
 Field, rh Mark  
 Foster, Kevin  
 Francois, rh Mr Mark  
 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  
 Griffiths, Andrew  
 Gummer, rh Ben  
 Gyimah, Mr Sam  
 Halfon, rh Robert  
 Hall, Luke  
 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, rh Sir Oliver  
 Heapey, James  
 Heaton-Harris, Chris  
 Heaton-Jones, Peter  
 Henderson, Gordon  
 Herbert, rh Nick  
 Hinds, Damian  
 Hoare, Simon  
 Hollingbery, George  
 Hollinrake, Kevin  
 Hollobone, Mr Philip  
 Holloway, Mr Adam  
 Howell, John  
 Huddleston, Nigel  
 Hurd, Mr Nick  
 Jackson, Mr Stewart  
 James, Margot  
 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, rh Sir Greg  
 Knight, Julian  
 Kwarteng, Kwasi  
 Lancaster, Mark  
 Latham, Pauline  
 Leadsom, rh Andrea  
 Lee, Dr Phillip  
 Lefroy, Jeremy  
 Letwin, rh Sir Oliver  
 Lewis, rh Brandon  
 Lidington, rh Mr David  
 Lilley, rh Mr Peter  
 Lopresti, Jack  
 Lord, Jonathan  
 Loughton, Tim  
 Mackinlay, Craig  
 Mackintosh, David  
 Main, Mrs Anne  
 Mak, Mr Alan  
 Malthouse, Kit  
 Mann, Scott  
 Mathias, Dr Tania  
 Maynard, Paul  
 McCartney, Karl  
 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  
 Parish, Neil  
 Patel, rh Priti  
 Paterson, rh Mr Owen  
 Pawsey, Mark  
 Penning, rh Mike  
 Penrose, John  
 Percy, Andrew  
 Perry, Claire  
 Philp, Chris  
 Pickles, rh Sir Eric  
 Pincher, Christopher  
 Poulter, Dr Daniel  
 Pow, Rebecca  
 Prentis, Victoria  
 Prisk, Mr Mark  
 Pritchard, Mark  
 Pursglove, Tom

Quin, Jeremy  
 Quince, Will  
 Raab, Mr Dominic  
 Redwood, rh John  
 Rees-Mogg, Mr Jacob  
 Robinson, Gavin  
 Rudd, rh Amber  
 Rutley, David  
 Sandbach, Antoinette  
 Scully, Paul  
 Selous, Andrew  
 Shannon, Jim  
 Shapps, rh Grant  
 Sharma, Alok  
 Simpson, rh Mr Keith  
 Skidmore, Chris  
 Smith, Henry  
 Smith, Julian  
 Smith, Royston  
 Soames, rh Sir Nicholas  
 Solloway, Amanda  
 Soubry, rh Anna  
 Spelman, rh Dame Caroline  
 Stephenson, Andrew  
 Stevenson, John  
 Stewart, Iain  
 Stewart, Rory  
 Streeter, Mr Gary  
 Stride, Mel  
 Stuart, Graham  
 Sturdy, Julian  
 Sunak, Rishi  
 Swayne, rh Sir Desmond  
 Swire, rh Sir Hugo

Syms, Mr Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tomlinson, Justin  
 Tomlinson, Michael  
 Tracey, Craig  
 Trevelyan, Mrs Anne-Marie  
 Tugendhat, Tom  
 Turner, Mr Andrew  
 Vaizey, rh Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa  
 Wallace, Mr Ben  
 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  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Ayes:**  
**Jackie Doyle-Price and**  
**Mark Spencer**

#### NOES

Abbott, Ms Diane  
 Ahmed-Sheikh, Ms Tasmina  
 Alexander, Heidi  
 Ali, Rushanara  
 Allin-Khan, Dr Rosena  
 Ashworth, Jonathan  
 Bailey, Mr Adrian  
 Bardell, Hannah  
 Benn, rh Hilary  
 Berger, Luciana  
 Betts, Mr Clive  
 Blackman, Kirsty  
 Blackman-Woods, Dr Roberta  
 Blenkinsop, Tom  
 Blomfield, Paul  
 Boswell, Philip  
 Brabin, Tracy  
 Bradshaw, rh Mr Ben  
 Brennan, Kevin  
 Brock, Deidre  
 Brown, Lyn  
 Brown, rh Mr Nicholas  
 Bryant, Chris  
 Buck, Ms Karen  
 Burgon, Richard  
 Butler, Dawn  
 Cadbury, Ruth  
 Cameron, Dr Lisa  
 Campbell, rh Mr Alan  
 Carmichael, rh Mr Alistair  
 Chapman, Douglas  
 Chapman, Jenny  
 Coffey, Ann  
 Cooper, Julie  
 Cooper, Rosie  
 Cooper, rh Yvette  
 Coyle, Neil  
 Crausby, Mr David  
 Creasy, Stella  
 Cruddas, Jon  
 Cryer, John  
 Cummins, Judith  
 Cunningham, Alex  
 Cunningham, Mr Jim  
 Dakin, Nic  
 Danczuk, Simon  
 David, Wayne  
 Day, Martyn  
 De Piero, Gloria  
 Donaldson, Stuart Blair  
 Doughty, Stephen  
 Dowd, Jim  
 Dugher, Michael  
 Durkan, Mark  
 Eagle, Ms Angela  
 Eagle, Maria  
 Edwards, Jonathan  
 Efford, Clive  
 Ellman, Mrs Louise  
 Elmore, Chris  
 Evans, Chris  
 Farrelly, Paul  
 Ferrier, Margaret  
 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  
 Gray, Neil  
 Green, Kate  
 Greenwood, Margaret  
 Griffith, Nia  
 Gwynne, Andrew  
 Haigh, Louise  
 Hamilton, Fabian  
 Harris, Carolyn  
 Hayes, Helen  
 Healey, rh John  
 Hendrick, Mr Mark  
 Hendry, Drew  
 Hepburn, Mr Stephen  
 Hermon, Lady  
 Hillier, Meg  
 Hodgson, Mrs Sharon  
 Hollern, Kate  
 Hopkins, Kelvin  
 Hosie, Stewart  
 Howarth, rh Mr George  
 Hunt, Tristram  
 Huq, Dr Rupa  
 Hussain, Imran  
 Jarvis, Dan  
 Johnson, rh Alan  
 Jones, Gerald  
 Jones, Graham  
 Jones, Helen  
 Jones, Mr Kevan  
 Jones, Susan Elan  
 Kane, Mike  
 Kendall, Liz  
 Kerevan, George  
 Kerr, Calum  
 Kyle, Peter  
 Lavery, Ian  
 Lewell-Buck, Mrs Emma  
 Lewis, Clive  
 Lewis, Mr Ivan  
 Long Bailey, Rebecca  
 Lucas, Caroline  
 Lucas, Ian C.  
 Lynch, Holly  
 Mactaggart, rh Fiona  
 Madders, Justin  
 Mahmood, Mr Khalid  
 Mahmood, Shabana  
 Malhotra, Seema  
 Mann, John  
 Marris, Rob  
 Marsden, Gordon

Maskell, Rachael  
 Matheson, Christian  
 McCaig, Callum  
 McCarthy, Kerry  
 McDonagh, Siobhain  
 McDonald, Andy  
 McDonald, Stuart C.  
 McDonnell, rh John  
 McFadden, rh Mr  
 Pat  
 McGarry, Natalie  
 McGovern, Alison  
 McInnes, Liz  
 McMahan, Jim  
 Mearns, Ian  
 Monaghan, Carol  
 Mulholland, Greg  
 Mullin, Roger  
 Murray, Ian  
 Nandy, Lisa  
 Newlands, Gavin  
 Nicolson, John  
 O'Hara, Brendan  
 Onn, Melanie  
 Onwurah, Chi  
 Osamor, Kate  
 Oswald, Kirsten  
 Owen, Albert  
 Paterson, Steven  
 Pearce, Teresa  
 Perkins, Toby  
 Phillips, Jess  
 Phillipson, Bridget  
 Pound, Stephen  
 Powell, Lucy  
 Pugh, John  
 Rayner, Angela  
 Reed, Mr Steve  
 Rees, Christina  
 Reeves, Rachel  
 Rimmer, Marie  
 Ritchie, Ms Margaret  
 Robinson, Mr Geoffrey  
 Rotheram, Steve  
 Ryan, rh Joan  
 Saville Roberts, Liz  
 Shah, Naz  
 Sherriff, Paula  
 Shuker, Mr Gavin  
 Siddiq, Tulip  
 Skinner, Mr Dennis  
 Slaughter, Andy  
 Smeeth, Ruth  
 Smith, rh Mr Andrew  
 Smith, Angela  
 Smith, Cat  
 Smith, Nick  
 Smith, Owen

Smyth, Karin  
 Starmer, Keir  
 Stephens, Chris  
 Stevens, Jo  
 Streeting, Wes  
 Stringer, Graham  
 Stuart, rh Ms Gisela  
 Tami, Mark  
 Thewliss, Alison  
 Thomas, Mr Gareth  
 Thomson, Michelle  
 Thornberry, Emily  
 Timms, rh Stephen  
 Trickett, Jon  
 Turner, Karl  
 Twigg, Stephen

Vaz, Valerie  
 Weir, Mike  
 West, Catherine  
 Whiteford, Dr Eilidh  
 Whitehead, Dr Alan  
 Whitford, Dr Philippa  
 Williams, Hywel  
 Wilson, Corri  
 Winnick, Mr David  
 Winterton, rh Dame Rosie  
 Wishart, Pete  
 Wright, Mr Iain  
 Zeichner, Daniel  
**Tellers for the Noes:**  
**Vicky Foxcroft and**  
**Jeff Smith**

*Question accordingly agreed to.*

*Bill read the Third time and passed.*

## **Business without Debate**

### **DELEGATED LEGISLATION**

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### **CAPITAL GAINS TAX**

That the draft Double Taxation Relief and International Tax Enforcement (Turkmenistan) Order 2016, which was laid before this House on 14 September, be approved.—(*Chris Heaton-Harris.*)

*Question agreed to.*

### **NORTHERN IRELAND AFFAIRS**

*Ordered,*

That Oliver Colville be discharged from the Northern Ireland Affairs Committee and Bob Stewart be added.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

### **PROCEDURE**

*Ordered,*

That Edward Argar, Simon Hoare and Mr Alan Mak be discharged from the Procedure Committee and Mr Christopher Choje, James Duddridge and Huw Merriman be added.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

### **WELSH AFFAIRS**

*Ordered,*

That Gerald Jones be discharged from the Welsh Affairs Committee and Paul Flynn be added.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

## Shale Wealth Fund

*Motion made, and Question proposed,* That this House do now adjourn.—(Chris Heaton-Harris.)

10 pm

**Caroline Flint** (Don Valley) (Lab): Thank you for granting me this debate, Mr Speaker. I begin by welcoming the Government's recent consultation on their shale wealth fund, to which I want to draw attention. It is only right that this House should have an open, constructive debate about this new Government-created fund and how it might be used most effectively. This may be the first debate about the new fund, but I hope it is not the last. Perhaps the Minister will confirm in her response whether the Treasury will be publishing submissions to the consultation. The fund is a new concept and exchanging the information and ideas that were submitted can only be good for policy making, so if the Minister is able to, I encourage her to make them available online.

I should perhaps say what this debate is not about. I have not secured this chance to bring the Minister to the House to debate the whys and wherefores of fracking. My views are well known from my time as Labour's shadow Energy Secretary in the previous Parliament. With appropriate environmental regulations in place, shale gas has a role to play in the UK's energy mix. It could assist the UK's transition to renewables, replacing coal with gas, reducing dependency on imported gas, some of which is fracked, and reducing the UK's carbon emissions. The Government could have gone further on the regulation, but that is for another day.

If shale gas exploration is proceeding, communities should have a fund for their use. Communities in my constituency of Don Valley have tolerated quarrying, but they have benefited from such funds, too. The fracking industry has agreed two forms of community benefit: a one-off payment of £100,000 per well; and a share of revenue from each well—currently set at 1%. Each should give communities dedicated funds for the lifetime of the project. In addition, local authorities will be able to keep 100% of the business rates that they collect from shale gas sites, which is the case with renewable developments.

This evening I want to advance the conversation about the best way of spending the revenues that the Government receive in the form of nationally determined taxes, levies and duties. Specifically, I want to discuss the proposal for an initial 10% of tax revenues to be deposited in a shale wealth fund—a sovereign wealth fund by any other name. The fund should be ring fenced for a clear purpose, such as improving the UK's energy efficiency, using the proceeds from a fossil fuel to reduce our future dependence on those same energy sources.

**Graham Evans** (Weaver Vale) (Con): I pay tribute to the work that the right hon. Lady did in the House over her many years as a Minister. Weaver Vale is affected by shale gas exploration. Does she agree that the most-affected communities should benefit from the shale gas wealth fund?

**Caroline Flint**: I do agree. Whether shale gas or nuclear, when it comes to developments in energy we should recognise the enormous contribution communities make towards our future energy security. Such communities should be seen as guardians of the country's interests,

and they should receive support from some of the good things that could happen to them as a result of such developments.

As I said, it would be helpful if we could ring fence the fund, but I am aware that it is not an immediate win. We are some years from receiving significant taxable profits on shale. However, I cannot help but look at our neighbours in Norway and think how different things might have been had we also protected our North sea oil and gas revenue. This fund will never equate to the scale of such revenue, which has never been less than £2 billion a year since the 1970s and reached over £12 billion in one year during the past decade. Successive Governments poured that revenue into the general taxation pot and simply use it to fund general public spending. In contrast, Norway created a sovereign wealth fund that is now so significant that the income it generates for the nation outstrips the revenue from oil production, but it also has some interesting rules.

**Sammy Wilson** (East Antrim) (DUP): Given the reserves of shale gas that are believed to exist in the United Kingdom, does the right hon. Lady think that the wealth fund could be a massive boost to the economy, not just for a short period, but for a very long time?

**Caroline Flint**: The hon. Gentleman makes a good point. From what I understand of the places where shale gas could be recovered from, it is an open question as to how much could be received in revenue. There may be difficulties in getting the gas out of the ground: it might be under the ground, but we might not be able to recover it all. It is an open question. At the moment, it is too early to know just how much could be gained. Now is the time to think about the principles for such a fund and about how we can ensure that it is not frittered away across Government on different schemes so that, at the end of the day, we cannot really see the power of good that it has provided for the nation.

As I said, the Norwegian wealth fund was quite amazing in how it was put together. First, the Norwegian Government said that they could draw down only 4% of the fund each year to spend, but March this year was the first time that they drew down 4%, and that is despite the fact that the fund was worth \$890 billion. Secondly, they invested for the long term. The oil fund is Norway's pension fund. We do not know exactly how much the shale wealth fund will generate, but it is forecast to generate £1 billion over 25 years, which is a considerable sum to put to good use, and it may be more.

To create a defined wealth fund is a start. The Government's intention is that it should be a fund that is clearly separate from the general revenue pot. A further lesson would be to follow the Norway example and use the fund for a specific purpose. I am talking about one that everyone could see the point of—a big picture idea, with an impact that can be clearly seen.

Norway looked forward to a day when it no longer depended on oil. We could look forward to a day when we are not dependent on fossil fuels by reducing our long-term energy use. Energy efficiency in this country is at a crossroads, as existing programmes end or decline. As shadow Energy Secretary, I raised serious concerns about the coalition Government's flagship proposal, the green deal. We were sceptical about how it would work. It lasted two years before it was scrapped.

I am a member of the Public Accounts Committee and we recently revisited the coalition Government's household efficiency schemes. The Department of Energy and Climate Change's financial model depended on large numbers of households taking out a green deal loan. The Government projected around 3.5 million green deals, yet a tiny 14,000 households signed up. That was bad policy making and, sadly, it wasted taxpayers' money.

**Jim Shannon** (Strangford) (DUP): The Prime Minister has indicated that 10% of tax revenue could be used for communities, which could amount to up to £10 million per eligible community. Does the right hon. Lady think that new infrastructure, skills training and long-term job opportunity could benefit each and every community?

**Caroline Flint:** Absolutely. The great thing about energy efficiency is that it has a multiplier effect. It not only makes our homes warmer and reduces bills, but creates jobs and encourages innovation, too. Although it will be a national fund, the delivery should be at a local level, and the leadership should be held regionally within our communities across the UK.

One bad scheme such as the green deal does not mean that we should give up. With the green deal gone, and the energy company obligation soon to exist solely to tackle fuel poverty, we need to be asking serious questions about how to move forward on energy efficiency. We know, because the Competition and Markets Authority told us, that 70% of bill payers are paying over the odds for their energy and even if the latest Ofgem measures are introduced, they will reduce bills for only a few. It is very likely that, even by 2020, we will still be talking about energy bills that are as high, if not higher, than they were in 2010. I am sure the Minister would agree that the cheapest energy is the energy that we do not use. A shale wealth fund could provide an opportunity to enhance a large-scale retrofit of the UK's housing stock, protecting households from future energy price rises. The fund should not be the only programme for energy efficiency, but it would provide a new means beyond passporting the cost to the general bill payer.

For a moment, let us consider the future if we do not make energy efficiency a priority. Quite rightly, the UK has ambitious and legally binding emissions targets, and we shall have to meet those targets, with 80% of the UK built environment still existing in 2050. The UK building stock is a long way from the low-energy housing stock that the UK will need, and the challenge is still huge. The Government's own figures for 2015 show that, overall, their largest energy efficiency scheme, ECO, installed one or more measures in around 5% of homes. Some 320,000 homes had cavity wall insulation installed, 230,000 had new loft insulation, and 50,000 had solid wall insulation fitted. Yet of the 620,000 green deal assessments, 89% of those homes were rated as D, E, F or G. There is a long, long way to go.

There is a huge job that needs to be done, and for whatever reason—poorly directed funding or lack of profitability—the hard-to-treat properties have been substantially ignored. Many of the easiest measures have been undertaken first. Now Britain needs to finish the job. An energy efficiency dedicated shale wealth fund could be a hugely positive step, and I am not alone in suggesting this. Neil Marshall, chief executive of the National Insulation Association, commented:

“There are still some 5 million cavity walls, 7 million solid walls and 7 million lofts that need insulating and therefore we welcome

this proposal. Insulating these homes will combat fuel poverty and climate change as well as reducing energy bills and creating jobs.”

The association rightly identifies the fact that many homes have yet to be adequately insulated, including 95% of homes with solid walls.

**Kevin Hollinrake** (Thirsk and Malton) (Con): Most of my constituency is covered by exploration licences for shale, so I have done a lot of research, visited Pennsylvania and set up an all-party parliamentary group on the subject. Does the right hon. Lady accept that the greatest impact of shale gas exploration is above the ground and consists of traffic movements, noise and light pollution? As a consequence, does she agree that some of the financial benefits should go directly to some of the householders who bear the brunt of those difficulties?

**Caroline Flint:** I entirely agree. Some of those problems come down to planning. As in any other planning arrangements, there should be mitigation by any developer of any undue impacts caused in the community. It is important to emphasise that not every place that is the subject of an application will get through, because of the drawbacks that the hon. Gentleman outlines. There are many different ways that compensation could be found from shale gas development, whether through the planning process, the £100,000 per well, 1% of revenues to local communities, or the shale wealth fund, which I believe has a particular role to play in addressing a massive problem in this country—the lack of energy efficiency.

IGas has decided to focus its community fund awards this year on local renewable energy generation and long-term conservation. In its submission, INEOS argued:

“The Government may wish to consider allocating a portion of funding towards energy efficiency initiatives or developing renewable technologies. This will also help to debunk the myth that it is an either/or between gas and renewables.”

Let us remember that INEOS is one of the firms that has had to import shale gas from the USA to meet its current needs.

Lancashire County Council argues in its submission that as part of a devolution deal the shale wealth fund in Lancashire

“could be focussed on green and renewable technologies and also ensuring that ordinary families in the county can help reduce their energy costs through energy efficiency measures in the home.”

**Graham Jones** (Hyndburn) (Lab): I am delighted that my right hon. Friend has secured this debate, as it is extremely important. The topic is being discussed to some extent in Lancashire, and it is certainly being discussed among MPs. In my constituency 40% of properties have category 1 hazards—cold and damp—yet shale gas in the Bowland basin sits underneath it, as it does under the rest of Lancashire. Is it not imperative that we examine the problems, and is it not to the Government's shame that they have abandoned housing regeneration programmes in the north that retrofitted many of those hard-to-treat properties?

**Caroline Flint:** It is certainly demoralising that in the coalition Government five years were wasted advancing methods to tackle the tricky problem of energy efficiency. I would not claim for a minute that all the schemes

[Caroline Flint]

before that were perfect, but I know that the decent homes programme did a huge amount to bring our social housing stock up to a better standard, and that some of the work that we were doing through the Warm Front programme and other schemes were making an impact. Unfortunately, we wasted five years not learning from what worked and what did not work, and we ended up with something that did not work. We have lost time and we need to get back on track.

It is important to understand that there does not have to be a top-down approach. The past decade or more of energy efficiency programmes have generally shown that national targets need local delivery. Energy companies found that they could deliver their programmes more quickly and reach more households if they had a trusted local partner, such as a local council, acting as the face of the project.

Local authorities have lots of the data needed to create the heat maps, and they are well placed to pull together the records of the elderly and the vulnerable and the lists of the most inefficient properties. When they can see a street where 80% of properties are eligible and 20% are not, they can fill the gap to make sure that we do not leave streets with some properties done and some not done, with all the rage that follows in our communities.

Nor should we underestimate the significance for local economies. Home insulation is a skilled job, requiring high standards. These jobs are delivered locally. There are ready-made training providers to skill up apprentices. This is an ideal opportunity for tradespeople to retrain or to adapt a small business to provide this service. These are jobs for people in every town in Britain, with local investment producing jobs in every local economy—for installers, supply chains and British manufacturers. This fund can help to stimulate growth, jobs and innovation. With the fund's principles and priorities set nationally, with regional co-ordination and leadership, and with local delivery, our communities can benefit in a more profound way, beyond compensation grants.

At Treasury questions, I recently asked the Chancellor for his views about a shale wealth fund providing for energy efficiency. He said:

“We have a serious challenge on this country's energy capacity over the next 20 years, and we are going to have to invest eye-wateringly large sums of money—perhaps £100 billion—just to ensure that the lights stay on. Of course it makes sense to look at ways of reducing demand for energy through energy conservation measures.”—[*Official Report*, 25 October 2016; Vol. 616, c. 140.]

The Minister knows I will never shirk from holding the Government to account. I will continue to press for bill payers to get fairer energy prices, for shale gas to be produced responsibly and for communities to benefit from local funds. We may disagree from time to time, but I have worked with her before—not least to change the law on tax transparency. I will not allow party advantage to prevent the sharing of good ideas or the possibility of finding consensus to meet a problem or find a solution. This debate, and the Government's consultation, may be such an occasion. Let the shale wealth fund become a warm Britain fund: a fund that is a friend to those households who have yet to see the benefits of energy efficiency; a fund that foresees a low-carbon Britain and contributes to that goal; a fund

that creates jobs in every community, uniting politicians and the public for the common good—a fund that truly leaves a legacy.

10.17 pm

**The Financial Secretary to the Treasury (Jane Ellison):** I thank the right hon. Member for Don Valley (Caroline Flint) for bringing this debate to the House and for a typically thoughtful and constructive speech. I also thank other hon. Members who have stayed to make their contributions on this important topic.

I should say straight away that I absolutely agree that energy efficiency is one of the best ways to reduce energy bills in the long run, so we start on a note of consensus. As the right hon. Lady will know, and as I will make clear in my remarks, the fact that the consultation closed relatively recently inevitably limits a little what I can say. However, I enjoyed her speech, and I would like to make some general comments about where we are in terms of shale and the shale wealth fund.

The Government are backing the safe development of shale gas. We have over 50 years' experience of regulating onshore oil and gas. The UK has the experience to develop our shale gas industry while at the same time ensuring the most robust and stringent protections for our environment, too.

We believe, as I sense other Members do, that shale gas is an important step forwards in a number of respects. It is a way to secure our energy supply by using our own domestic resources, as we have heard. It also brings with it the potential for tens of thousands of new jobs across various sectors, from the oil and gas industry to construction and engineering. I was very struck when I recently chaired our oil and gas forum in the Treasury just how many jobs are created in supply chains by these industries—it was one of the most striking things to come out of that discussion.

Of course, natural gas will continue to play an important role in our energy system as we move towards a low-carbon economy. We are absolutely committed to reducing our carbon emissions by at least 80% by 2050, compared with 1990 levels. Members on both sides of the House will recognise the fundamental importance of us doing so as part of the collective—indeed, global—efforts to stop climate change in its tracks. We are the first country to propose a phase-out of unabated coal, with gas and nuclear forming the secure base of our future energy mix as we continue to develop renewables and improve energy efficiency. I could not agree more that that is a really important part of the mix.

Shale will be a new, domestic source of gas, which adds to our energy security as we make the shift from coal to reduce our carbon emissions. Gas is the cleanest fossil fuel, producing half the carbon emissions of coal when it comes to generating power. Studies have shown that the carbon footprint of our shale gas would be significantly less than coal and comparable to the liquefied natural gas we import. In short, the shale gas resources beneath Britain could contribute to our security of supply, to jobs, and to increasing tax revenue, while providing a bridge to the greener future we all support.

That is why, in the previous Parliament, we put in place the right fiscal framework to make sure that the incentives are in place for investment in shale gas. It is worth reminding the House that there is an estimated

potential cumulative investment in the region of £33 billion. As we explore our shale gas resources, we are also exploring how we can make the most of the benefits that the industry could bring to our economy. Specifically, we want to ensure that the communities and regions that host shale activity will benefit directly from doing so. By that, I mean that they should benefit beyond the boost to the local economy that one would expect them to receive in any case from the development of this new industry. The Prime Minister has been very clear on this. Local people must come first, not only in their involvement in the planning decisions that affect them, with all shale gas applications requiring a full consultation with local people, but in sharing the benefits with the areas in which the industry is developed, with a significant proportion of this expected in the north. That means that the shale industry could play an important role in the economic development of parts of the northern powerhouse, helping to drive local growth, investment and jobs even further.

**Graham Jones:** The autumn statement of 2015 said that the community dividend benefit of 1% is expected to rise to 10%. Are the Government going to make good, to local communities specifically, on that statement that the 1% dividend will rise significantly?

**Jane Ellison:** I am about to come on to the dividends for local communities and how we see that working through.

The shale wealth fund is a big part of how we are going to deliver these benefits for local areas. It will consist initially of up to 10% of all the tax revenues arising from shale gas production, all of which should be used for the benefit of the communities that host shale sites. I want to be clear on two points: first, this is new funding, not money used to replace any existing Government funding; and secondly, it will be in addition to any benefits provided by the shale industry itself, because, as Members know, the shale industry has independently committed to making payments to communities that host shale gas developments. The industry's benefits scheme currently commits to providing £100,000 for each well site of hydraulic fracturing, as the right hon. Member for Don Valley said, as well as 1% of revenues from any site that enters into commercial production. The shale wealth fund is in addition to that. We estimate that it could provide up to £1 billion in total and each community could receive up to £10 million. We want this money to go towards leaving a positive legacy for the future of these areas. I note that the issue of legacy was also on the right hon. Lady's mind.

The shale wealth fund will be the latest in a line of local benefits schemes designed to support communities. For example, a number of renewable energy firms have made a voluntary commitment to provide community benefits of £5,000 per MW of installed capacity.

**Graham Jones:** The Minister says that this wealth fund is going to be available. As a Lancashire MP, let us just talk Lancashire, where development of fracking is predominant at the moment. What discussions has she had with Lancashire County Council, Lancashire authorities, the local enterprise partnership or other interested parties about how the wealth fund may be delivered? How does she see it being delivered at a regional level in Lancashire?

**Jane Ellison:** I am afraid that, inevitably, it is a bit too early for me to comment in detail on that. The consultation closed only in late October, and we have had a very substantial number of responses that we want to go through very carefully. People have responded in quite some detail on exactly these sorts of issues, so we will return to this topic and it will be possible to look at them in more detail later on. Suffice it to say that we have had plenty of ideas about how this might work as we move forward, but we need to look at this carefully.

I was giving examples of other funds. The landfill communities fund is another example of statutory community benefits provision, and the Government's coastal communities fund is also similar.

The Government have been clear that local communities should benefit directly from shale gas resources in their areas, because we are committed to delivering an economy that works for all, ensuring that the benefits of economic growth and investment are spread as widely as possible. We have also been clear, though, that local people often know best what the individual needs of their communities are. We want them not only to benefit from the fund, but to have a real say over how it operates.

That is why we have sought views from the country through our consultation on how the fund should operate and ensure tangible, lasting benefits for communities and regions that host shale activity. We asked how the shale wealth fund should be delivered, and what its priorities ought to be. As I have said, the consultation closed on 26 October. We have had an excellent response from a range of individuals and organisations—from right hon. and hon. Members, including the right hon. Lady, to charities, local businesses and community groups. We are now looking carefully at the responses, and we plan to publish our response to the consultation by the end of the year. I hope the House will therefore understand that I cannot give an indication of the responses at this early stage.

On publishing the responses, it is for respondents to consider whether to do so, but we will of course provide a list of respondents at the end of the consultation document, as we always do. I would have thought that councils and LEPs would normally make public their contributions. Given the interest in the debate, I am sure many people will decide to do that.

In answer to the right hon. Lady's query about the purpose of the shale wealth fund, the main purpose is clear. The fund is a way of ensuring that, as this country develops our shale gas resources in a safe and sustainable way, local communities and areas that hold the resources and therefore support the industry's development should directly benefit from doing so. As I have said, this could amount to as much as £1 billion of extra funding across these regions. We believe that local people should have a say over how best to use any such funding—for example, about whether it should be used to support new job opportunities, develop or enhance community assets, be invested in skills or be invested in green energy.

**Caroline Flint:** I understand that the submission from Lancashire County Council talks about the investment going into renewables or energy efficiency, but may I give the Minister a little word of warning? As the MP for a constituency that has been involved with the landfill fund and the aggregates tax, I know there can sometimes be a danger that only the loudest voices get

*[Caroline Flint]*

heard. Quite a few local football teams get more strips than Manchester United because they are back every year putting into funds. Can we think bigger about the impact of this once-in-a-lifetime opportunity, and will she bear that in mind?

**Jane Ellison:** Of course. I take this debate very seriously, and the fact that it has essentially taken place in a consensual atmosphere makes me think that there is a possibility the House can find things on which we substantially agree about how we move forward. We need to look at the responses. I am sure there will be other contributions and thoughts about how we move forward, but we just have not had the chance to look at them yet.

The right hon. Lady has made a significant contribution to the debate this evening, and she has clearly set the ball rolling in the House's debate on a topic to which I am sure we will return. We have consulted extensively, asking how the shale wealth fund should be delivered and what it should be spent on. I look forward to reporting on the outcome of the consultation in due course. As I have said, I feel confident in saying that we will return to debate this important subject further, and I thank the right hon. Lady for kicking off the House's debate on this issue in the way she has this evening.

*Question put and agreed to.*

10.28 pm

*House adjourned.*

# Westminster Hall

Monday 21 November 2016

[PHILIP DAVIES *in the Chair*]

## Free Childcare

*[Relevant documents: Fourth Report of the Committee of Public Accounts, Entitlement to free early years education and childcare, HC 224, and oral evidence taken on 20 April 2016 and written evidence reported to the House on 13 and 18 April, HC 912.]*

4.30 pm

**Helen Jones** (Warrington North) (Lab): I beg to move,

That this House has considered e-petition 132140 relating to free childcare.

It is a great pleasure to serve under your chairmanship, Mr Davies.

The petition has so far garnered more than 132,000 signatures, but the amount of public engagement generated through the Petitions Committee has been quite astonishing. We have had 33,000 posts on our Facebook page, which has been viewed by more than 492,000 people. I did a webchat, which, for someone so useless with technology, is a step forward in itself. A number of people also emailed me personally and some of the stories they told were quite heart-breaking.

The difficulties that many parents have to go through simply to go out to work ought to give us all in the House pause for thought. Because of the difficulties they face, some of those parents, understandably, are quite angry, and sometimes their anger—not in the majority of cases—turns against the wrong target, which is those getting free childcare for two-year-olds. I want to set out the position as it is because there is a misunderstanding. Many people think that free childcare for two-year-olds is only available to parents who are unemployed, but that is not the case.

As we all know, all three and four-year-olds are currently entitled to 15 hours of free childcare for 38 weeks of the year. The provision was brought in by the Labour Government for four-year-olds for 33 weeks of the year, and it was gradually extended. It is a universal provision and most families take up their entitlement. That Government also sought to start to extend free childcare to the most disadvantaged two-year-olds, and the coalition Government broadened that further. It is available not only to those on income support or income-based jobseeker's allowance, but to children in the poorest working families: those in receipt of tax credits and—the last time I looked—with an income of less than just over £16,000. Crucially, the provision is also available to looked-after children, to children with disabilities and to children with special educational needs. I say that it is available to the children, rather than the parents, because that particular policy is aimed at tackling disadvantage in the early years so that children are ready to start school and benefit properly from their education.

The Government have taken a different course, and seek to extend free childcare for three and four-year-olds to 30 hours a week. Crucially, that is not a universal

provision. It is for working parents only, and will be subject to minimum and maximum income limits. It is currently in the pilot stage, and I have reservations, which I will come to later, about how it will be paid for. There is no doubt that the situation is very confusing for parents, and it is understandable that many of them are very angry at the problems they face because the cost of childcare has risen alarmingly in the past few years. It rose by 30% on average between 2010 and 2015, which is five times higher than the rise in wages. The parents who have contacted me have told me about the problems they face not just with childcare during the day, but in getting after-school childcare and holiday care.

**Kirsten Oswald** (East Renfrewshire) (SNP): The hon. Lady is making an important point about the need for flexibility in the timing of childcare. I am particularly encouraged that the Scottish Government, after a major consultation, have launched a series of trials to ensure that, in Scotland, we can offer places where and when families need them. Does she agree that those steps are significant in making the provisions work for everyone?

**Helen Jones:** I agree with the hon. Lady that we need flexible provision of childcare because what we have does not always fit with parents' working hours. I will come to that later, but first I will give a few examples of the cost to parents.

Of course, costs vary throughout the country, but so do wages. One lady who contacted me from the north-west said that her family pay £840 a month for three days of childcare a week. Now, they are not highly paid and, to put it into context, that is exactly the same amount as their mortgage payment. Another parent from Surrey, at the other end of the country, got in touch with me. She and her husband have a reasonable joint income of £69,000, but they have twins. They have found that the cheapest way to provide childcare for their twins is to hire a nanny, but the cost of hiring a nanny is about £25,000 a year, which is more than a third of their joint income—an astronomical sum. These parents feel caught in a trap that is not of their own making. They want to work and, in many cases, they need to work just to keep their heads above water, yet a huge chunk of their earnings is being taken by childcare.

I was also contacted by a nurse who wants to go back to work in the NHS, and the country certainly needs nurses to go back to work. She found that, for a 12.5 hour day shift, she would be just £25 better off after paying for childcare. Her solution is to work night shifts, which, for various medical reasons, are not good for her. That is an example of the barriers people face just in doing their job.

The other issue that many parents raised with me was one of access, and that seems to be particularly true when one partner is in the armed forces. One family contacted me—again, not pleading poverty. They said, “We have a good income”, but they found that every time they moved, the decent nurseries, at a reasonable cost, were full, and they charge—certainly in the south of England—between £50 and £100 per child just to be put on the waiting list. Frankly, that is a rip-off that the Government could and should end very quickly.

Another member of the armed forces—a single parent who is not earning a high income—told me of the real difficulty she faced in finding childcare that would fit

[Helen Jones]

with her irregular working hours. Another family told me that when they move, they find that some local authorities provide free childcare for two-year-olds of military families, and that others do not, but those families have no control over where they are posted or, therefore, whether they can access that provision.

These are parents who are trying to do the right thing and set a good example to their children but, naturally enough, they want the best provision for their children, as we would all want for our children. That is why we should be talking about early years provision and early years education, rather than childcare. We want to provide the best we can for our very youngest children, but the problem is that for many years there has not been sufficient investment in the sector, and there are not sufficient qualified staff. I am convinced, as someone who began her career as a secondary teacher, that if we invested more in the early years, we would prevent many problems further along in the education system. Such a move would pay us because it is the right thing to do not only morally, but economically.

The last Labour Government recognised that problem and they particularly recognised the difficulty of ensuring that we had a sufficiently skilled workforce. Therefore, part of the job of Sure Start centres, which became children's centres, was about providing day care, but it was also about giving advice to parents and, crucially, working with other providers and childminders to raise standards across the sector. It therefore seems a tragedy that the coalition Government decided to remove from centres in the most deprived areas not only the obligation to provide full day care but the need to employ a qualified teacher. There are some Ministers—I except the Minister present from this—who believe that anyone can teach, but I assure her that that is not the case. I suspect that many members of the Government would not last a day in early years provision. I know that I would not, and I am a qualified teacher. Early years provision is a highly skilled occupation if we are going to do it properly.

At the same time, the Government set up the early intervention grant and ended the ring-fencing of funding for children's centres. They then reduced the grant year by year, meaning that not enough money was going into the system. The House of Commons Library estimates that the predecessor grants that were rolled up into the early years grants were worth £2.79 billion in 2010. Immediately on taking office, the coalition Government reduced the sum to £2.48 billion, and to £2.24 billion the year after—that is 10% lower than what they spent the previous year and 20% lower than planned. Two thirds of that money was spent on the under-fives, which gives an idea of the impact of the grants on the whole sector.

There was no extra money when the coalition Government expanded childcare for two-year-olds. They paid for it by moving some of the early intervention grant across to the dedicated schools grant, thus starving the rest of the sector of resources. The remains of the early intervention grant continue to go down. The grant was part of the start-up funding assessment when the Government changed to a business rate retention scheme for local government finance, and it was £1.71 billion in 2013, going down to £1.58 billion the following year. This year it is £1.32 billion and, if the indicative totals we have are right, by 2019-20 it will be just over £1 billion.

What is the point of this ramble through the byzantine pathways of local government finance? I must admit that I find it fascinating, but I have never found anyone else who does. The simple reason is that we can have good early years provision and we can have cheap early years provision, but we cannot have good, cheap early years provision. The real problem with what the Government are doing is that it pushes more of the cost on to parents because the free hours are underfunded, and it ensures that the expertise that was being built up in children's centres is gradually disappearing as they close and as the services they offer are restricted.

There is doubt about whether the extended hours that the Government are offering will be properly funded. The National Audit Office published a report earlier this year in which it said that there was real difficulty because the Government's implementation of the provision will mean the end of much cross-subsidisation. At the moment if a parent has, say, 40 hours' childcare a week, 15 of those hours are paid for by the local authority but at a fairly low rate. The hours that the parent takes on are paid at a higher rate to cross-subsidise the other hours. If the Government do not properly fund the extra hours, several things could happen: the quality might reduce; many providers might not take part in the scheme at all; or there might be a further cost for parents because providers decide to charge more for other types of childcare, such as childcare for the under-twos, holiday provision and out-of-hours provision.

Several providers that have contacted me say that they are already struggling to keep going, even though low wages are endemic in the sector. Staff have contacted me about how little they earn, which makes it even more difficult to attract good, skilled staff. Those issues are important to parents because the Government estimate that the parents of some 390,000 children will want to take up the extra hours, which means an extra 45,000 places are needed. In fact, even more places are likely to be needed as the figure is likely to be an underestimate. If the policy is successful in getting more parents into work or in getting parents to work extra hours, even more childcare places will be needed. The Government's response was to announce last year that they would increase the average national funding rate for early years to £4.88 an hour from £4.56 an hour for three and four-year-olds. That, of course, is an average. Many councils do not pay that amount because they are having such difficulty funding even statutory services that there is not enough money left to fund early years services.

It is fair to say that many providers found the Government's response unconvincing. The Family and Childcare Trust told the Childcare Public Bill Committee that it was

“unlikely to be sufficient to address the strategic challenge the 30 hour offer presents”.

The National Day Nurseries Association found in a survey of its members that only 45% were likely or very likely to take part in the scheme. If so, the shortage of places that we already face will simply get worse. Already 45% of councils in England do not have enough places for families who work full time.

The second issue to which the Government must face up is where most three and four-year-olds access this provision. Some 58% of them are in the maintained sector, usually in nursery classes attached to a primary

school. Many of those schools are on restricted sites and would not be able to expand even if capital funding were available, which at present seems fairly unlikely. There is also a bulge in the number of primary-aged children coming through the system. It does not take a genius to work out that if it is having to address a bulge in the number of primary schoolchildren as well as extra demand for nursery places, any school that can expand will expand to meet the primary provision because it has to—it is as simple as that.

At the same time, the Government risk hugely damaging the best provision in the childcare sector, which is in maintained nurseries. Some 60% of maintained nurseries are rated “outstanding” by Ofsted, and 39% are rated “good.” Nowhere else in the education system even gets near that level of supply. In their consultation on early years funding, the Government say that they want to fund all providers equally. Wherever they are, each child will receive the same amount of funding per hour. That sounds reasonable until we understand that nursery schools are required to employ qualified teachers and a qualified head, and many of the heads in this sector are very well qualified indeed. Nursery schools also provide training places for staff. They do outreach work not only with families but with other providers. The very good maintained nursery in my constituency, Sandy Lane, is based on the same site as a children’s centre and a private nursery precisely so that the three can work together, but they need the funding to do that.

We are in a position where we risk getting rid of the best provision, or hugely damaging it, where the Government are underfunding childcare and where the cost is being heaped on to parents for the extra hours they purchase. Frankly, it is a mess. It is a national disgrace that we treat our youngest children in that way. By trying to do it on the cheap, we are putting huge stress on working families. I would love to be able to say that we can deliver free childcare for all working families, but we cannot do so without more money in the system and without more training for staff.

That situation cannot be solved overnight—it cannot, I believe, even be solved in one Parliament—but we need a national strategy for early years. The Government should consider it seriously and set up an inquiry, perhaps a royal commission, staffed by experts. I know that some Government Members do not like experts, but we need them. They are experts because they know something about the subject. The inquiry should do several things. It should chart a path to, if not free, at least heavily subsidised early years provision, and it should lay out how we can grow the workforce that we need. At the moment, for instance, when we need nursery nurses the most, the number of applications for training is falling. The inquiry should also set out how we can raise the skill levels of people already working in the field.

At the moment, if we are honest, a lot of children are being cared for by unqualified teenagers, who might be nice people doing their level best but who do not have the skills necessary to develop the minds of young children, at an age at which they are developing more rapidly than at any other time in their lives and need constant care. We must amend that to give them the best. I hope that such an inquiry would have all-party support, so that we could take a consistent approach through several Parliaments.

I recognise that it will not be enough to alleviate the problems that parents face now. I urge the Government to consider seriously what they can do to support parents. The first thing that they should do is end a policy that threatens the best provision in the sector. The Government need to consider how to develop maintained nursery schools, how nursery classes attached to primary schools can expand and what capital provision can be given for that. They also need seriously to consider raising the hourly rate paid for the care of under-fives. If they do not, decent providers in the private sector will not be able to continue. Those who try to provide good, decent childcare cannot do it without proper funding. The Government should work much more with businesses to develop workplace nurseries—not simply providing vouchers, but talking to businesses and explaining why nurseries are vital to retaining a trained workforce and why they benefit businesses as well as children.

The Government should also consider giving parents decent help now with the costs of childcare, perhaps by extending child tax credit or by other methods. What is happening now is not helping families or children. We need to stop thinking of early years provision as an add-on that we think about after we have thought about the rest of the education system and realise that it is the way to tackle disadvantage and ensure more social mobility. If the Government concentrated on early years provision rather than grammar schools, they would do much better.

**Kirsten Oswald:** The point about disadvantage is key. Mark McDonald, the Scottish Government Minister for Childcare and Early Years, has identified that high-quality early learning and childcare plays a vital role in narrowing the attainment gap, which is why there is such a commitment to increasing early childcare and education provision.

**Helen Jones:** It is certainly true that it narrows the gap, but I want to make the point that it is good for all children. All children deserve the best provision that we can offer them, and we are not offering them that at the moment. We need to get a grip on the situation, for the sake of families in this country and of our children. If we do not, although we might not pay for early years provision immediately, we will pay the price further down the line in educational failure, social disadvantage and children not reaching their full potential. I urge the Minister, when she replies, to take the issue seriously so that we can at last move forward in this often-forgotten and certainly underfunded area of our education system.

4.54 pm

**Alison McGovern (Wirral South) (Lab):** It is a pleasure to speak in this debate and to serve under your chairship, Mr Davies, and to follow my hon. Friend the Member for Warrington North (Helen Jones), who has given us a brilliant exposition of the current problems with funding for childcare. Hopefully I will not repeat much of it, but I think it is interesting that so many people signed the e-petition and, as she explained, wanted to get involved in this debate.

This morning, before this debate, I was lucky enough to be asked to speak on Radio Merseyside—a fabulous local radio station. Often, when I take my little girl to the school gate, I do not have much political discussion

[Alison McGovern]

there—parents tend to be busy and not thinking about politics—but it was notable to me that this morning when I dropped off my lovely girl, her teacher said to me, “I’ve just heard you on the radio talking about childcare,” and proceeded to talk to me about all the issues. It does not surprise me at all that my hon. Friend has had the experience of all those people getting in touch with her. This is one of the most significant issues that faces our country, and even though it may not appear to be high politics in the conventional sense, it is where politics in our country could most influence families’ lives for good.

I will go back to basics and talk about the principles of why Government should be involved in childcare, and then make a couple of points about how we should do so. In the end, support for families and children, and for parents at work, goes back a long way in our country. Beveridge recognised when he was considering what made people poor that there were two times in people’s lives when they had less earning capacity and extra cost. One of those was when they got old, and the other was when they had children.

Beveridge recognised that having kids had the power to plunge families into poverty that they would not be in otherwise. That is why he designed family support as part of the very nature of our welfare state. He thought that people should be able to smooth their costs over their lives and receive state assistance at times when they had extra costs and less capacity to earn, so that when they had the ability to pay in, they could do so, smoothing their income over their lives to prevent poverty. That is the principle of our welfare state, and it always has been.

Beveridge knew something else as well about preventing families from being poor. He knew that Government needed to be committed to the principles of full employment and prepared to provide public services to underpin good health and good education, to ensure that people had the ability not just in theory but in practical terms to get a job. When I read the e-petition as submitted, with its emphasis on helping working people, I agree with my hon. Friend that that is exactly what our country should be all about. That is why I think we should adopt the same principles, attitude and approach that Beveridge did when he designed our welfare state.

However, there is a crucial difference between the labour market then and now: people like me can get a job. Women now rightly expect to go to work. It turns out that once the historic prejudices against women in the workplace were removed—piece by piece, by those women in the ’50s, ’60s, ’70s and ’80s to whom I owe every chance that I have had as a woman in the workplace—women in great numbers wanted to go to work and have a career. We therefore need to fundamentally rethink the way in which the Government support families when their children are small, and we need to confront the fact that our labour market is now very different. That means that, as a country, we must applaud the nature and instinct of people who want to go to work and we must seek to provide good public services to back up that driving instinct. That simple conclusion is supported by the contribution of the woman who spoke before me on Radio Merseyside this morning, a dedicated Scouse nan called Linda who had gone on the

radio to explain how stretched her family was; not just the mum and dad but the grandparents were trying to work and do childcare.

**Kirsten Oswald:** The hon. Lady makes a point that we should all consider very carefully, which is that this issue is not just about women—even though someone who looked around this Chamber might be forgiven for thinking that it was. It is about all of us. It is about everyone in a family: not just the children, but the parents and the wider family too.

**Alison McGovern:** I thank the hon. Lady for her intervention. Of course childcare is not just a women’s issue, but it is a fact that the labour market has changed because women have joined it in greater numbers, so we have to rethink how the Government support parents in work. As it happens, I am sure that in my constituency as many men as women care about the cost of childcare. As many granddads as nans are supporting their children to take care of their children. This issue affects the whole family, older and younger alike, for all the reasons that my hon. Friend the Member for Warrington North has set out: costs are cantering away ahead of wages and successive Governments have been too slow to be radical on childcare.

Another reality that we have to face is that we have a productivity crisis in this country: we are still working longer to make less than our competitors, and I think childcare plays a hidden role in that. Over the summer I went back to work—I did days at work with different types of businesses throughout the north-west, including in retail, manufacturing and care. Managers often told me that they wanted to find people to promote from within their businesses, who could do more, earn more and drive the business forward, but that people were not able to take on that extra responsibility because of their responsibilities at home. They did not think that they necessarily had the back-up to step up and get that promotion. Businesses can get people in through the door to do the basic jobs, but helping them to move on brings the risk of their fragile family caring responsibilities being unpicked.

**Helen Jones:** Does my hon. Friend agree that working hours have changed across the whole range of businesses and jobs? When I worked at holiday jobs in retail, for instance, we finished at 5 o’clock—it was 9 to 5. That is no longer the case, and it places a huge burden on parents.

**Alison McGovern:** My hon. Friend is correct. These days, retail is 24 hours a day. She makes an excellent case for some sort of royal commission or cross-party inquiry into the matter, partly because we need to take a sectoral approach. The challenges in retail are immense, and so are the challenges in care. The NHS and the care sector need their own childcare strategy. We have a nursing recruitment crisis on our hands, and a lot of it has to do with care. When I was shadow childcare Minister in the last Parliament, I argued that the NHS needed its own childcare strategy, which the Department of Health should lead across Government. That has not happened yet, but it must. In the present situation, with the risk of Brexit and the possibility of an NHS hiring crisis, we must recognise that a lot of the problems are of our own making. Nurses, doctors and other health professionals—women and men—are really struggling

to work the hours they need to and to stay in work as they wish to, when they simply do not have the appropriate back-up.

The world has moved on, as my hon. Friend said. We want our businesses to be as productive as they can and our public services to be as efficient as they can. It is therefore incumbent on the Government to think strategically and to question the infrastructure support we offer so that our economy can work well. I know that the Government are committed to cutting corporation tax, but I really question whether that is the priority for business right now. When we talk to people in the business community, they are more interested in business rates than in corporation tax, and they are definitely interested in childcare. The childcare challenge that many employees face is a problem for small and big businesses alike. As the CBI has said, the Government could have a real impact on dealing with the infrastructure challenge that childcare represents.

I have two final points: the first is about children who I feel always get left out of this conversation, and the second is about a possible way forward, adding to the very good suggestion of my hon. Friend the Member for Warrington North.

Disabled children, who face particular difficulties in accessing the right care and support, are often forgotten in all this. Their parents are entitled to the same childcare support as everyone else. Given the communication difficulties and medical needs that children with disabilities may have, their childcare provision is clearly incredibly important. We now know much more about how to help children with disabilities to progress, but the earlier that help comes in their life—the earlier they get that support—the better and more successful it is. I have seen that with families in my constituency who have children with disabilities. If the Minister takes up my hon. Friend's sensible suggestion of an inquiry, I ask her to include those who have expertise in working with families who have a child with a disability. We can do more than ever before to give those children the best possible chance of a successful life, so let us do it from the very beginning.

The second group of children who are often forgotten about is those who live in rural areas. Towns and cities face many challenges in getting the right childcare provision, because geography can be a natural barrier to access. Those challenges can often be overlooked in our modern economy. I ask the Minister to think about that too.

Frankly, even for those who do not face those challenges, being a parent of a small child is terrifying. All of us who have ever experienced it know that. We need to move towards universal childcare for a very simple reason, in addition to all the reasons that I have set out about the benefits it would bring to businesses and our economy. Being a parent can be a huge challenge for anyone, and the one thing that gives a parent a little bit of confidence is meeting that key worker in the nursery or the childminder who has brilliant expertise, so that they have someone in their life to ask, "Am I doing this right?" I know that in the past parents coped without help and support, but these days our experience is that difficulties with parenting can strike anybody, whatever their income level or their confidence.

**Helen Jones:** Before my hon. Friend finishes her speech, may I point out that parents in the past had a lot of support? Extended families lived together or near one

another, which is no longer the case. People did not look after a baby on their own; they had grannies, aunts and great-aunts all around them. As families become more mobile, that support network tends to disappear, which is a real problem for parents.

**Alison McGovern:** That is a very good point. In addition, bearing in mind what we know now about child development compared with what was known many years ago, I would argue that childcare is a real expertise. All parents welcome expertise on the best way to help their child to develop. All the evidence shows that the most important learning years of a person's life are those when they are very small, but that is terrifying for the parent of a very small person. We know that what we do in those important years will echo down that child's life and we desperately want the best for them, so it is really great to have a professional there who can help.

We should have a vision that runs from the midwife who cares for the child when they are first born, and for the parents before that, through the health visiting system to which the Government have said they are committed, to that family working with a key worker through nurseries and some universal childcare provision. That way, all through the child's earliest years, professionals would consistently be around the family to help them, alongside their extended family, where possible.

How do we do that practically, though? I wish to add a final thought to the mix. We have heard from the hon. Member for East Renfrewshire (Kirsten Oswald) about the work the Scottish Government are doing, which is to be commended, but some new devolved institutions are also coming to England. We should look at how childcare is provided through local authorities, because there is a possibility of doing more and improving expertise if local authorities are able to work together across boundaries to come up with a good universal childcare proposal for their area. We might then benefit from the efficiencies of local authorities working together, and it would also help them to think strategically about the educational challenges faced by their city or city region and then to put investment in the right place. Ministers cannot know that from Whitehall. With the greatest respect to the Minister, she is never going to have a fine detail of knowledge about the best childcare arrangements for Merseyside, but we could do that in Merseyside for ourselves. Will the Minister think about how resources could be devolved out of Whitehall and given to city regions or groups of local authorities working together?

I am afraid I agree with my hon. Friend the Member for Warrington North: in the end, I do not believe we have backed up our children with nearly enough finance. Nevertheless, if we are going to spend more on childcare, let us do it in an effective way that respects the different challenges faced by cities throughout the country and does not dictate from Whitehall how it should be provided. If we do that, people will get a real sense that the Government are prepared to back them up. Our economy will most certainly feel the benefit, but—much more importantly—so will every family in the country.

5.13 pm

**Kirsty Blackman (Aberdeen North) (SNP):** It is really nice to speak on a petition in Westminster Hall; I have spoken in a number of other Westminster Hall debates,

[Kirsty Blackman]

but never on a petition, so it is nice to have another first 18 months into the job. I thank you for your chairmanship, Mr Davies, and the hon. Member for Warrington North (Helen Jones) for leading the debate. As Members would expect, I wish to talk about the situation in Scotland, and what we are doing there on early learning and childcare. I shall discuss the real-life importance of childcare provision. The hon. Members for Wirral South (Alison McGovern) and for Warrington North both gave a lot of real-life examples; I, too, will discuss a few. I shall also talk about the importance of choice for parents.

I shall start by talking a little about the numbers and finances. Labour Members, particularly the hon. Member for Wirral South, have discussed the amount the Government will spend to increase the number of free hours. I understand that the UK Government are committed to spending an extra £1 billion by 2020. The Scottish Government are committed to spending £500 million by 2021; considering how much smaller Scotland is than England, that is a stark contrast.

**The Parliamentary Under-Secretary of State for Education (Caroline Dinenage):** May I correct the hon. Lady? Although there is an additional £1 billion, the figure is actually £6 billion by 2020.

**Kirsty Blackman:** Yes, the Scottish Government have committed to spending an additional half of the UK Government's additional spend. Considering the differential in the respective populations, there is probably a differential in the spend. I took the figure for UK Government spending from the Library debate pack.

In Scotland, we will create 600 new early learning and childcare centres, with 20,000 additional qualified staff. Doubling the free early learning and childcare hours for all three and four-year-olds, as well as for the most disadvantaged two-year-olds, will benefit families by more than £4,500 per year, per child. That is a significant saving. I will come on to discuss the importance of that in the context of choice.

Our doubling of free childcare in Scotland will not be linked to employment status, unlike the changes down here, but changes will be made in both England and Scotland, and I do recognise that England is making positive changes to childcare provision. Our respective Governments are doing that in slightly different ways, with slightly different funding structures. I am not criticising the UK Government for increasing the number of free hours; quite the opposite. It is a very good thing. I have spoken before about how important it is.

I have a five-year-old and a three-year-old, and I have friends with similarly young children. A number of the women have had to go back to work for nothing. After the childcare costs are taken out, it turns out that they have gone back to work for pretty much no pay. The hon. Member for Warrington North mentioned £800 for three days' childcare a week; for a while, we were paying £300 a month for one day a week. That is an incredible amount of money, and it is difficult to earn that much in a month when working only one day a week.

**Ms Margaret Ritchie (South Down) (SDLP):** The hon. Lady is making a compelling case. Does she agree that there is a compelling need for both partners in a

household to work, and that sometimes inhibits childcare provision? If they do not work, they will not be able to pay for that provision.

**Kirsty Blackman:** Absolutely. There is a real problem with choice for families. In some cases, families cannot afford to go to work because of the cost of childcare. We should not be in that situation. All parents—men and women—should be able to choose whether they go into the workplace. For some parents, it is much healthier to go to work. I was a rubbish stay-at-home mum and did not enjoy it very much at all. I did not do it for particularly long, because it just was not for me—I was going mad. It was much better for me to be in the workplace, but in some cases it was costing me money to do that. I was having to spend more on childcare than I was earning, especially once commuting was taken into account. As has been mentioned, that is a real issue in rural areas, and there is a need for specific provision for such areas.

Choice is a real issue. There has been a little discussion about whether childcare is a women's issue. In Aberdeen and my local area, it is probably more of a women's issue than in some other areas of the country. We have so many people, mostly men, who go offshore for work. As they are offshore for two or three weeks at a time, there is a real issue with women going back to work. They certainly cannot work night shifts, because there is nobody there to care for the children overnight. Historically, a huge number of women have had to decide not to work on the basis of their partner's working hours. The lack of flexibility in childcare is a real issue in that respect.

**Alison McGovern:** Does the hon. Lady agree that her argument is an absolutely cast-iron reason why this issue has to be addressed in a devolved way? It has to be devolved down to the best possible level, because local economies are different and not everything can be dictated from Whitehall.

**Kirsty Blackman:** It is really important that we look at how this issue is addressed in terms of devolution, and in different areas, because there are specific challenges—around specific industries, such as the one I mentioned; around rurality and the kind of distances involved in some rural areas; and around staff numbers.

We have a specific issue in Aberdeen with attracting qualified staff, because as we have historically had a lot of people working in the oil industry, where they have made lots of money, housing is more expensive than in other areas. Consequently, someone who works in childcare, or even teaching, will find it more difficult to live there. Although we have made local provision to deal with some aspects of this issue, we are not there yet, and it is necessary that local authorities, institutions and organisations can have input into how childcare provision is managed.

**Kirsten Oswald:** I am interested in what my hon. Friend says about Aberdeen, which is one of the areas taking part in a pilot scheme to examine the different models of childcare that might suit families in different areas of the country, as part of the Scottish Government's aim to double childcare provision. Does she agree that it is very important that childcare matches the needs of not only the local area, but individual families, whose work lives may have very varied patterns?

**Kirsty Blackman:** I absolutely agree, and my hon. Friend has given me a nice opportunity to talk about the trials that we are undertaking. Nobody, certainly in the UK, has cracked this childcare thing. We have not all got it sorted; there is no way that we can look at the system and say, “It’s perfect. We’ve sussed it out.” We all need to learn from each other about what works in different areas, and ask whether those things would work in ours. The Scottish Government are undertaking three trials, on three different things that local authorities have specifically requested.

In Edinburgh, the trial is establishing outdoor nursery provision. Children who live in the centre of the city may not get out too often to the woods and forests around Edinburgh, so that local trial, in which the Scottish Government will invest £32,000, will provide access to outdoor learning for specific groups of children. We will see how that works, and will evaluate it.

In Aberdeen, in my constituency, we are having a stay-and-play session for parents of two-year-olds. A group of parents have been reluctant to leave their two-year-old in nursery provision; they are not quite sure how that would work, and perhaps think that it is a bit too far for a two-year-old. The parents will be able to stay with their two-year-old, who will still get the benefit of being in an educational setting. Also, the parents will benefit. As was said earlier, parenting small children is terrifying, and a new parent has no idea if they are doing the right thing, ever; they just have to try their best. This trial is a good opportunity for parents to learn, too.

In the Scottish borders, the trial being undertaken by the Scottish Government is about wrap-around provision—provision outside of core hours, holiday provision and after-school provision, and provision that is more appropriate for most people with normal working lives. Hardly anybody I know can fit in a job in the three hours and 10 minutes of morning nursery care that my youngest child receives. In fact, a lot of people struggle to fit in a job between 9 am and 3.15 pm, which is when my eldest child is at school.

**Kirsten Oswald:** That is an incredibly important point. Nobody I know, or almost nobody, works from 9 am to 3 pm. If I had not been able to get childcare provision from 8 am to 6 pm, including for holidays, I would have had to stop my career progression when my children were little. It is really vital that we do not impede women, children or families in that way.

**Kirsty Blackman:** Absolutely. As the Scottish Government go forward with these pilots, and with possible changes, we will look to have much more flexibility, and much more access to nurseries and childminders, rather than just the kind of maintained provision discussed earlier; I am not sure that we use that phrase in Scotland, but I understand what it means. We look to have much more flexibility in the settings that children and young people can access with these free hours, which will allow more flexibility around hours and holidays.

I have already talked about choice and the benefits of choice. Heriot-Watt University has carried out a study for the Joseph Rowntree Foundation that says that “reinforcing and extending the improved provision for good quality, flexible, subsidised childcare across the working year”

would be one of the “most significant measures” to tackle poverty.

We have spoken about how childcare can have the benefit of tackling poverty by changing the system for parents who cannot afford to work. We have also spoken about the benefits of childcare as regards children’s attainment; actually, it has benefits for the attainment of all children, and not just those who are starting off with a disadvantage and are, if you like, at the bottom of the pile. However, we have spoken less about the benefits for the workplace and for productivity, although that was mentioned by the hon. Member for Warrington North.

If people can access the workplace without worrying about their children, and about whether they can get home for a 3.15 school pick-up, they will concentrate more on their job, and as a result they will be more productive. The more we can do to increase the choice for parents, the better. Whether they choose to work or not to work, we need to ensure that they can make that choice at all times; that would benefit everybody, including employers.

I produced a blog for Family Friendly Working Scotland, during its National Work Life Week, that encouraged employers to consider flexible working seriously. We are trying to make clear to employers the benefits of flexible working—for them, as well as for employees. The real benefit for the employer is in improved productivity, and in having access to a talent pool to which they currently do not have access. Sometimes employers hear the words “flexible working” and think, “Panic! We can’t do that!”, but some aspects of flexible working are really very reasonable. If, for example, an employer is able to give shift patterns a couple of weeks out, instead of a week out, that makes all the difference for employees when it comes to planning and childcare. Using grandparents and other family members for childcare was mentioned earlier. Some women, parents and families do not have choice; some of them are not able to access grandparents. For example, a parent may not have a partner and so they have to try to do everything themselves.

The benefits of increasing free childcare are so wide-ranging that it is almost impossible to talk about them all in a half-hour speech, or even in a three-hour debate such as today’s. However, I think everybody recognises that increasing free childcare has huge benefits, and both the UK and Scottish Governments have made positive moves in the direction of increasing the amount of free childcare, and increasing provision, particularly around the number of hours and the changes to allow two-year-olds free nursery care.

In the future, we can learn from each other—something I always seem to find myself stressing in Westminster Hall. The Scottish Government can learn from what the UK Government are doing, and the UK Government can learn from some of the pilots that we are running, and some of the changes that we are making in Scotland. As the hon. Member for Wirral South said, local authorities and devolved institutions can learn from what is happening in other areas. They can learn whether good things that are happening elsewhere can be transferred across.

On the whole, what we are doing is largely positive, but I would like to see more of that, and more choice for parents; I would also like more access to free, high-quality childcare, and the assurance that enough funding will be provided for these things to happen.

5.29 pm

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I pay tribute to my hon. Friend the Member for Warrington North (Helen Jones), who opened the debate, for all the work she has done in raising the importance of the issue we are debating. She said at the beginning of her speech that she was not very savvy about technology, but she has done an amazing job, not just by having web chats but by engaging a record number of people on Facebook—mothers and fathers from across the country. It is not just about social media, however; it is about the number of face-to-face meetings she has had, the amount of research she has evidently done and the personal experience, as a secondary schoolteacher, that she has brought to the House. There are lots of people in Government who might not believe in experts but I believe in listening to them, and it is evident from my hon. Friend's speech that she knows what she is talking about.

This is the first debate I am responding to as shadow Minister for early years, but I do not need to have that role to recognise that to give every child the best start in life, nothing is more important than the care they receive in the first few years. High-quality childcare is critical for our economy, as has been mentioned over and over by Members on both sides of the House. The biggest barrier for parents and carers returning to employment is the cost of childcare, and parental employment is vital to lifting families out of poverty.

I grew up in London in the '80s and I remember the struggles my parents had when it came to providing childcare. We did not have grandparents around—something other hon. Members have mentioned. Before 1997, access to childcare, as well as its quality, varied enormously, and it is not a secret that Labour revolutionised the sector by introducing universal free childcare. Every three and four-year-old became entitled to 15 hours' free childcare a week for 38 weeks of the year, which was a life-saving opportunity for parents. The measure was a huge success, with more than 90% of children aged three and four benefiting.

Another thing I benefited a lot from—as I am sure parents on both sides of the House have too—were the Sure Start centres, which were also created by a Labour Government and which served every family in the community, regardless of how much money they had. Labour expanded school nurseries and more than doubled the number of childcare places. Most importantly perhaps, we extended maternity leave from 12 weeks to 12 months, increased maternity pay and introduced paternity leave. It is shocking that it took so long, but it happened. We made childcare a key part of our plans to support families and to make work pay, but today's debate, in 2016, shows that huge challenges remain.

Make no mistake, the petition speaks directly to the failure of the Government's childcare policy over the past six years. Nevertheless, it is clear that hon. Members on both sides of the House, of different political colours, feel they have shared ambitions for childcare. Even if we believe in different ways of achieving those ambitions, we agree that childcare is a priority that needs to be addressed. The Government's response to the petition fails to recognise, I am afraid, the effects of chronic underfunding on providers, but it at least acknowledges that childcare costs profoundly affect parents across the country. Labour agrees with the Government that

disadvantaged two-year-olds are less likely to access formal early education than their more affluent peers and that they therefore deserve the support that will level the playing field. Further, we do not believe that we should pit those out of work, often because of circumstances beyond their control, against working parents struggling to afford childcare. We believe a distinction needs to be made between work incentive schemes and policies that must be pursued to give equal opportunities in life to impoverished children, and also to children who are disabled—a point made movingly, over and over, by my hon. Friend the Member for Wirral South (Alison McGovern).

The Government should also be frank about the fact that those out of work are not receiving the free childcare to which their two-year-olds are entitled, with only 42% of families in England who qualify receiving it, which compares with the uptake of Flying Start provision for two-year-olds under the Labour Administration in Wales, which stood at 86% in 2015.

**Caroline Dinanage:** I am sorry to interrupt the hon. Lady's flow, but I would like to correct her, as she has just given out a completely factually inaccurate statistic. Some 70% of eligible two-year-olds are taking up their entitlement to a funded learning place.

**Tulip Siddiq:** I thank the Minister for her contribution, but the source I have, which I believe and which is very credible, says that it is 42% of families, so we will have to figure out who is right. I would just like to point out again that under the Labour Administration in Wales the uptake of Flying Start provision for two-year-olds stood at 86% last year.

Labour believes that the Government have failed to deal with unacceptable local variations in the information that is available to families who could benefit from the childcare offer for two-year-olds. I have seen it myself, when knocking on doors in my constituency, and the Public Accounts Committee has heard that only 30% of parents are even aware of the family information services. That weakens the value of the childcare already on offer, when the socioeconomic gap in educational attainment is large and the benefits that come from high-quality provision for disadvantaged children are clear for everyone to see. Extending the entitlement to 30 hours a week for working families is likely to place further strain on quality and access for the most disadvantaged children, so we need to tread carefully. Labour believes that that is due to the policy criteria, the capacity of the sector and the quality of the provision that can be offered under the current funding rates. Will the Minister to outline in her response how her Department will improve the quality and consistency of the information available to parents and also explain how providers can double provision with the funding they currently have?

It is clear that Government measures to help working families have been insufficient and have led to the justified anger seen in the petition. Over the last Parliament, the cost of a part-time nursery place for a child under two increased by 32%. A family paying for that type of care now spends in excess of £1,500 more than they did in 2010, and wages have been largely static, which adds to the pressures on working families. The member of the public whose Facebook post prompted the conversation we are having spoke for many when he said:

“Myself and my wife work full time and pay over £800 per month for childcare...If we had another child, I would have to give up my job, as it’s simply outrageous the amount we have to pay”.

On the Facebook page are other poignant comments by people who are struggling to make ends meet because of childcare costs. That individual’s experiences are also reflected in research by the Resolution Foundation, which shows that more than a third of mothers who want to work are unable to do so because of high childcare costs. That issue was referred to by the hon. Member for Aberdeen North (Kirsty Blackman), and my hon. Friend the Member for Wirral South spoke extensively and eloquently about the problems of the current labour market. She told us the story of Linda from Merseyside. I can safely say to her that there are countless other Lindas, not just in my constituency but across the country, who will be able to relate to that story. Of course, childcare is not only a women’s issue—a point that has been made—but it is no secret that the pressures of childcare fall disproportionately on women, in lots of situations, especially the one that the hon. Member for Aberdeen North mentioned.

I want to come back to the tax-free childcare scheme that the Government speak about. The Government talk about helping those who are just managing, but the cap on working tax credit means that in 11 local authorities the average cost of part-time childcare now exceeds the support on offer. Furthermore, the tax-free childcare scheme, which I am sure the Minister will mention, has been poorly communicated and twice frustrated by Government delays. Research has indicated that the scheme will only deliver for those on high incomes, meaning that it may not support the families who need it most. Labour believes that it is proving to be a wasted opportunity in addressing the root cause of mounting childcare costs, not least for those struggling to make ends meet.

I also want to touch briefly on the funding formula and the lack of places. We believe that the extortionate costs that parents face—different Members have mentioned that over and over again in this debate—are the result of reduced funding being given to providers and the shortage of places available. Under the new early years funding formula, many providers will receive a much lower hourly income for free early education places, which is a disgrace. That reduction is happening when providers are experiencing higher running costs and expanding provision to keep alive the Government’s pledge of 30 hours of free childcare a week. Anyone who listened to the last Education questions will know that I have raised the issue over and over again.

The Family and Childcare Trust reveals that the number of English local authorities reporting a shortage of free early education places for three and four-year-olds has more than doubled. Figures from the House of Commons Library show that the number of places available has fallen by 45,000 since 2009. The figures speak for themselves. The Department for Education recently announced that it was paying £3 million for a private consultancy to find the 45,000 places needed to make the 30 hours’ free entitlement work. That is a choice figure. The costs that providers face, such as business rates and pension auto-enrolments, are fuelling the rapid increases in childcare costs. However, what worries me is that more than one quarter of local authorities will lose money through the funding formula

while being asked to manage the costs and to double the childcare entitlement. A 2015 report by the Institute for Public Policy Research explored the possible consequences of such a funding gap. It said:

“Underfunding the 30 hours offer would lead to a smaller, less flexible market as providers...either exit, reduce the breadth of services that they offer, take on fewer children, or refuse to offer the free hours...This would reduce parental choice and potentially push up costs for paid hours or other services outside of the free offer, such as childcare for most under-3s”.

I will draw my remarks to a close, because I want to hear what the Minister has to say. In addition to their punitive funding formula, the Government have as yet refused to commit to supplementary funding for nurseries beyond the two years. Nurseries have been clear, both in the conversations I have had and in writing to all Members of the House, that the cocktail of funding pressures will ultimately push them into an unsustainable financial situation. My hon. Friend the Member for Warrington North eloquently referred to that in her speech. I hope the Minister will put an end to the uncertainty and immediately commit to funding to guarantee the long-term future of nursery schools.

Labour believes that working parents are bearing the burden of the Government demanding unachievable expansion in provision while providing woeful underfunding. It is no secret that the autumn statement is happening this week. We demand that the Chancellor provides parents and teachers across the country with the funding to keep nurseries open, to reduce the costs of funded places and to meet the Government’s 30 hours promise to parents. I hope the Minister will be able to offer even the slightest encouragement that those figures will be in the Chancellor’s autumn statement.

I finish by echoing the words of my hon. Friend the Member for Warrington North, who secured this debate. The early years cannot just be seen as an add-on. They are crucial to social mobility and to children reaching their full potential. Most importantly, they are crucial to the future of our country and the productivity of our economy.

5.44 pm

**The Parliamentary Under-Secretary of State for Education (Caroline Dinenage):** It is a great pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Warrington North (Helen Jones) on securing this important debate and on all the hard work she has taken part in leading up to today, including all her various online activities. Regardless of her technical expertise, she has certainly triumphed. I am delighted to be here to set out the Government’s childcare offer to parents. As you know, Mr Davies, one of our top priorities is to give children the best start in life and to support working parents.

I congratulate all the Members who have taken part in today’s debate. Almost without exception, their contributions have been helpful and constructive and have shown that we all share a common goal, which is to support working parents and children in getting access to the best childcare, to work together with that aim, to share best practice and to find a common ground to build on. I say almost without exception because, while I welcome the shadow Minister to her place—I know that she is quite new to the shadow Government—I gently say to her that there was nothing positive or constructive in anything she said. At no point did I get

[*Caroline Dinéage*]

the sense that she wanted to work with me on this area to make it work. All she wanted to do was make cheap political points in the name of the Labour party. She might as well have been dressed as a great big red rose and be done with it, but this area is too important for political point scoring. It is about children's futures and parents being able to get out and work and make the money they need to run their families. It is not about cheap political point scoring, and she should be ashamed of herself. However, I congratulate the others who spoke.

I have been in the same position as other Members. I am a working mum, and the decisions I have made about my children's education and their childcare have been among the most difficult I have ever made. It is difficult being in that position. For many years I was a single mother who felt like she was working only to pay for her childcare, so I understand how people feel. Wearing my other hat as the Parliamentary Under-Secretary of State for Women and Equalities, I go round the country speaking to many women, and they tell me that the biggest obstacle to them getting back into work and fulfilling their potential is the cost of childcare. That is why we want to get things right.

The petition asked why we give free early learning to the two-year-olds of non-working parents. I want to be clear up front that the Government are proud to provide early learning to the most disadvantaged two-year-olds. We want to ensure that all children get the best start in life, regardless of their background. Unfortunately, evidence tells us that children from less advantaged backgrounds can be up to 19 months behind in their learning by the time they start school. We all know that gaps in learning can start appearing as early as 22 months of age, but high-quality early learning from the age of two can narrow that gap, helping those children to achieve better GCSE results and ultimately earn higher wages.

For that reason, in September 2013 the Government introduced the early learning for two-year-olds programme. Initially, it was for the most disadvantaged two-year-olds from non-working households in England. The programme was later expanded in September 2014 to include low-income working parents, as well as looked-after children, children who have left care, adopted children and children with special educational needs and disabilities. Now, 40% of two-year-olds are eligible. The Government are committed to supporting those parents who are just about managing, and the policy is focused squarely on those families.

Looked-after children and children who have left care can face multiple challenges in progressing well in the early years and at school. As a group, they persistently underachieve at key stages 1 and 2. As we know, adoptive parents are brilliant and play an incredibly important role. The Government want to ensure that they and their children get the best possible start and support. Giving adopted children an early education place is one aspect of the Government's significant package of adoption support.

Research indicates that children with special educational needs and disabilities particularly benefit from early education. It helps their development and improves their social inclusion and wellbeing. However, families sometimes find it difficult to access appropriate care

and can face higher costs. The hon. Member for Wirral South (Alison McGovern) spoke about that, and she did an excellent job while she was the shadow Minister for childcare. Since 1 September 2014, two-year-olds entitled to disability living allowance, or those who have a current statement of SEN or an education, health and care plan, have been entitled to an early education place. Our new offer for three and four-year-olds includes a £12.5 million disability access fund to support disabled children in order to access the free entitlement.

**Alison McGovern:** I thank the Minister for giving way and for her kind remarks. I have one specific question on children with disabilities. Often it is the perception of difficulty in welcoming children with disabilities into early years settings that is a problem. Are the Government working on a way to break down barriers so that nurseries and childcare settings make it clear to parents of children with disabilities that they are welcome?

**Caroline Dinéage:** Absolutely. The hon. Lady makes an excellent point. We have heard a lot today about maintained nursery schools, which do a fantastic job with children with special educational needs or disabilities. They need to be supported to carry on doing that work.

**Helen Jones:** Many maintained nurseries have special units for children with special needs. They take in disabled children. Does the Minister accept that that is another reason why maintained nurseries need to be fully supported in the extra responsibilities that they take on?

**Caroline Dinéage:** Absolutely. I am a great fan of maintained nursery schools. There is one in my own constituency, which has significant pockets of deprivation, that provides outstanding support for children. That is why the Government have committed, as part of the funding formula, to an extra £55 million a year for at least the next two years to support maintained nursery schools over and above the normal funding formula. Maintained nursery schools make up only 3% of childcare places. However, 98% of them are good or outstanding and 80% work in areas of disadvantage, which is why we want to consult them further about how we can support them in their very important work.

We know that good quality education at two can have a fantastic effect on a child's development. We want children in care, children who have left care, adopted children and children with special educational needs and disabilities to benefit from that, as we have a duty to help them thrive and reach their potential. It is unacceptable that a child should have inferior life chances because of their background; this programme is key to tackling the problem. I am sure all hon. Members would agree that it is vital we help such children.

**Kirsty Blackman:** It is still the case that a child's long-term future exam results can be predicted by the highest level of their mother's qualifications. Does the Minister agree that both our Governments are working hard to do something about this and that we should continue to keep this as a top priority?

**Caroline Dinéage:** I did not know that interesting statistic. The hon. Lady is right. Providing better early education can only ever be a really good thing.

Some hon. Members have asked why all two-year-olds do not get a fully funded place. Such places are not offered to all two-year-old children because evidence tells us that the greatest proportion of parents return to work and need childcare when their children turn three. Some parents feel that two years is too young for their children to be in formal childcare and prefer to keep them at home. I was similar to the hon. Member for Aberdeen North and did not stay in the childcare environment for as long as I could have done. That probably gives me an added respect for the amazing individuals who work in that incredible profession.

We wanted to focus resources where they would have the greatest impact for the largest number of families. That is why we prioritised the introduction of an additional 15 hours for the working parents of three and four-year-olds.

The main driver behind the two-year-old programme is to improve outcomes for the children who need the most help in getting the best start in life. For that reason, we do not impose conditions on parents who are eligible for a place, but we hope the programme will support parents from poorer backgrounds to move into employment and training. We have come an incredibly long way since 2013. As I have already mentioned, 70% of eligible two-year-olds now take up their entitlement to a funded learning place.

We also know that 84% of all two-year-olds who take up their entitlement do so in good or outstanding settings, which means that children are receiving their learning in high quality environments. That is fantastic progress and will ensure that thousands of disadvantaged children get the right start in life.

**Tulip Siddiq:** I am sorry the Minister seems a bit rattled by what I have said. I am the Opposition spokesperson and I will hold the Government to account and do my duty in making sure that childcare is properly provided to parents; and I want to hear about the funding. The statistic I cited, which the Minister disputed, was from the Family and Childcare Trust childcare costs survey 2016. In England, the uptake of free early education among two-year-olds stood at 58% in January and at 46% in London. I would like to hear what the Minister has to say.

**Caroline Dinenge:** I am keen to tell the hon. Lady what I think. Because she is very new to her role, I am prepared to cut her some slack. If she chats to her hon. Friend the Member for Wirral South, she will find that she can hold the Government to account in a constructive and positive way, rather than in an endlessly and relentlessly negative way.

**Tulip Siddiq:** Will the Minister give way?

**Caroline Dinenge:** No, I have given way enough. In answer to her question, the figures are the Government's figures and they are correct.

I want to make progress. We know that it is not only the most disadvantaged parents who need help with childcare costs. That is why we are increasing our investment in childcare from £5 billion to £6 billion a year by 2019-2020. We remain absolutely committed to providing 15 hours a week of early learning to all parents with three and four-year-olds. In addition to this universal entitlement, we will introduce 30 hours a week of childcare

from September 2017, which will support more than 400,000 working families with three and four-year-olds, saving them around £5,000 a year in childcare costs. We want to remove the real financial barriers that prevent parents from going back to work or increasing their current hours, so that they can realise their potential and contribute to our economy and their children's future.

**Kirsten Oswald:** I echo the Minister's sentiments about removing financial barriers. Does she agree it is also important to remove structural barriers as far as possible by making sure there is flexibility of provision and that we do not continually assume that one size will fit all?

**Caroline Dinenge:** The hon. Lady is right. Flexibility is really important, which is why our recent consultation response committed us to offering free hours between the hours of 6 am and 8 pm to meet the needs of parents who work shifts. We also encourage local authorities and providers to offer the free hours over more than 38 weeks a year so that parents can stretch their hours, whether it is fewer hours over more weeks or during the school holidays. The flexibility that she talked about is really important.

At present, the Government are piloting the programme in eight early implementer areas. The hon. Member for Aberdeen North spoke about the importance of the really good trials going on at the moment. It is the same in the early implementer areas. Through these early implementers, more than 3,500 children have already taken up a 30-hour place one year early, which is giving their parents more disposable income and an opportunity to return to work or work more hours. We expect that figure to increase during the course of early implementation, because more parents will become eligible for the extended entitlement at different points during the year. I want to put on the record my gratitude to Hertfordshire, Newham, Northumberland, Portsmouth, Swindon, Staffordshire, Wigan, York and the childcare providers in those areas who have worked tirelessly to make the programme a reality.

The eight early implementers provide us with an opportunity to address key delivery issues for the 30-hour offer, and for us to test the practical ways that councils and providers can work together. Various Members have spoken about the specific challenges of different areas of the country: for example, the challenges in Aberdeen with the offshore workers. My constituency has a lot of families with partners in the armed forces, particularly in the Royal Navy, who face a similar challenge. That is why we have various early implementer pilots going on to look at all such challenges. For example, Northumberland is focusing on rurality and Staffordshire is focusing on work incentives, as is Swindon, along with flexibility, including the use of Saturday provision via a nursery attached to a hospital to support the staff who work there. Newham is focusing on developing a range of delivery models and supporting children with special educational needs and disabilities. Wigan and Hertfordshire are exploring partnerships through the use of childcare hubs and supporting parents back into work, and Portsmouth is supporting low-income families.

[IAN PAISLEY *in the Chair*]

Alongside our early implementers, we have also recruited 24 early innovator local authorities, which will provide valuable learning to support the roll-out of the 30-hour

[*Caroline Dinenege*]

offer by developing approaches to support children with special educational needs and disabilities; developing scalable, flexible models that meet the needs of working parents; ensuring the sufficiency of the local childcare markets; and stimulating parental demand for the new entitlement to act as a work incentive.

I would like to point out that the consultancy that the Opposition spokesperson said £3 million is being spent on is actually not a consultancy; it is a contract to offer practical support to local authorities and childcare providers to help them get ready to deliver the 30 hours. It includes sharing lessons from the early implementers—

**Tulip Siddiq:** It is a consultancy.

**Caroline Dinenege:** It is not a consultancy. It provides courses and shares best practice. It is about being out there, on the ground, speaking one-to-one to administrators and deliverers. The hon. Lady really needs to look up the meaning of the word “consultancy”. It offers practical help on the ground to providers, and helps them to get the very best out of their business models.

The lessons learned from the combined delivery approach of the early implementers and innovators offer a unique opportunity to provide vital information to the local authorities getting ready to meet parental demand when national roll-out takes place. We are capturing learning throughout the year and sharing it with all local authorities to ensure that early implementation is a success—that is what the £3 million contract is about—and that full roll-out has the benefit of the learning that success generates. The more planning and testing we can do in the widest possible number of areas, the more likely we are to have a smooth launch of this key Government priority.

At the same time, the Government will introduce tax-free childcare from early 2017, which is intended to help parents with the cost of living by subsidising the cost of childcare. The tax-free childcare will be paid per child, rather than per parent, and childcare costs will be subsidised for children up to the age of 12, or 17 if they are disabled. The Government calculate that, once it is fully implemented, about 2 million working families across the UK will have access to the new scheme. It will give parents a 20% subsidy on their childcare costs, up to a maximum contribution of £2,000 per child per year, or £4,000 for disabled children. The scheme will effectively subsidise 20% of childcare costs—up to £10,000 per child.

In addition, the Government’s flagship welfare reform programme, universal credit, also offers help with the cost of childcare for parents on lower incomes, even if they work only a few hours a week. Working parents on universal credit can now claim up to 85% of their childcare costs. Together with the 30 hours and tax-free childcare, that amounts to an unprecedented level of support to working parents for their childcare costs.

The hon. Member for Warrington North talks as though the high cost of childcare—we all know it is high, and I have outlined the many things the Government are doing to tackle it—is a recent phenomenon. Many hon. Members who spoke today have the advantage of having youth on their side and of having young children—I am jealous of them—but I was a parent during the previous Labour Government, which the Opposition

spokesman spoke about in such glowing terms. I put my children through early years childcare under a Government who presided over the most expensive childcare in Europe. I was working to pay for my childcare. The Government introduced the 15-hours offer, but not everybody offered it, and I had great difficulty accessing it. Childcare is one of the biggest obstacles to women getting back into work, which is why it is important that we have all the schemes I have talked about.

**Helen Jones:** I am sorry, but I cannot let the Minister get away with that. She is right that childcare has always been expensive, but the Labour Government expanded the number of childcare places in this country hugely and set up Sure Start and children’s centres for the first time. She cannot get away from the simple fact that the cost of childcare went up 30% under the coalition Government—five times the rate of wage growth. That is what has put so many families in such a difficult position.

**Caroline Dinenege:** As the hon. Member for Wirral South said, this is not a recent phenomenon; it has accumulated over a number of years. I can speak only from my personal experience—I know that the children of the hon. Member for Warrington North are a bit older. My children were accessing early years childcare during the years of the Labour Government, and I saw those prices go up exponentially. That is why we are dealing with this issue. In addition to various other policies that help many of the issues that have been described today, such as giving people access to flexible working and shared parental leave, which was never introduced under the previous Labour Government, more than £6 billion will be spent on childcare by 2019-20 in cash terms—[*Interruption.*] I know the hon. Lady is not listening, but that is more than any other Government have ever spent on this issue. It includes an extra £1 billion on the free early years entitlement.

**Kirsten Oswald:** The Minister is being very generous in giving way. Will she humour me and agree that the Scottish Government have gone further than any other Government in their commitment to early years education and childcare?

**Caroline Dinenege:** I do not know, but I am keen to learn from best practice wherever I find it, so I will be hot-footing it back to my office directly after this debate to see what we can learn from what is happening in Scotland.

A large amount of the additional money that we are spending on childcare is going to increase the average funding rate. The Opposition spokesperson said it is going down, but it is actually going to go up for private and voluntary providers in 88% of local authorities, including that of the hon. Member for Warrington North, where the hourly rate will go up by 19%.

**Helen Jones:** The Minister is missing out the fact that going up from a low hourly rate to a slightly better one does not solve the problem. The Government’s problem when they introduce the 30-hour provision will be that, unless they fund those hours properly, they will simply raise costs elsewhere in the system, so parents will be unlikely to benefit. Once the cross-subsidisation is taken out, costs will go out somewhere else, whether for

under-threes, out-of-hours childcare, or whatever. The low rate of funding throughout the system is what needs to be addressed—it leads to some providers struggling to maintain their provision and to endemic low wages in the sector, which work against recruiting skilled workers, and it does not provide the best quality of care.

**Caroline Dinéage:** I do not understand why the hon. Lady is saying that what we are doing is already leading to that, because we have not yet done it. The early years funding formula response has not even been published—it will be out soon. She is sniffing at a 19% rise in her area, according to the figures we saw in the summer, which seems a little unkind.

I was also a little disappointed with how the hon. Lady described early years professionals. She talked about them as unskilled teenagers, slightly undermining the quality—

**Helen Jones:** On a point of correction, I am sorry, but the Minister misquotes me. I said that children needed the best skilled and professional care but that some of them are being looked after by unqualified teenagers, who are not the professionals in this. The professionals are those who have the proper qualifications and experience. She really must not misquote me on that, because I was clear that the best outcomes for children are when they are looked after by skilled, experienced people.

**Caroline Dinéage:** I am grateful for the clarification, but the hon. Lady should be aware—I hope she already is and is just playing with me—that the quality of the workforce is already good and has been improving: 87% of staff in full-day care settings are now qualified to level 3, the proportion of such staff with at least that level having grown from 75% to 87% between 2008 and 2013, while the proportion of those with a degree or higher increased from 5% to 13%. We are not, however, resting on our laurels. We have a workforce strategy that will seek to support even further those excellent people who work in our childcare environment.

**Kirsten Oswald:** Regardless of the difference of opinion between the Minister and the hon. Member for Warrington North (Helen Jones), will they both agree with me that the quality of staff in those childcare establishments is absolutely key? It is one of the main things that makes it

possible for mothers and fathers to feel confident about leaving their children in such establishments. The staff's work is exceptional.

**Caroline Dinéage:** The hon. Lady is right: the work those staff do is exceptional. Any of us who have had access to early years education all know that the quality of early years childcare is exceptional. Recent Ofsted statistics show that 91% of providers in the early years are good or outstanding, and that is the highest such figure we have ever seen. Alongside that, the most recent EYSS—early years SEN support—outcomes data show that almost 70% of children are reaching a good level of development by the age of five.

I thank all Members who have contributed to this important debate. I hope they can see that the Government care enormously about outcomes for children and childcare costs for all parents. It is completely unfair for children who are disadvantaged not to have the same opportunities as others, but the significant burden that childcare costs can have on parents is also unfair, which is why we have put in place all the measures that I have mentioned today to help solve the problem.

6.11 pm

**Helen Jones:** I only want to make a few remarks to wind up. I am grateful to the Members who have spoken, but I am disappointed that the Minister has still not responded to efforts to reach a long-term solution to the problem, and one that can command support over several Parliaments, if necessary. We do not yet have that, and we will not get it without proper inquiry into the way in which we do early years education in this country. We should not elide childcare with early years education, and early years education is what we really want for our children, by the best-qualified and most experienced staff. She needs to address both the shortage of early years teachers—I say “teachers”, not other staff—and, despite what she has said, the underfunding. We need to progress to a long-term solution to the problem, and I am sorry that she did not address it in her closing remarks.

*Question put and agreed to.*

*Resolved,*

That this House has considered e-petition 132140 relating to free childcare.

6.12 pm

*Sitting adjourned.*



# Written Statements

Monday 21 November 2016

## COMMUNITIES AND LOCAL GOVERNMENT

### Social Housing

**The Minister for Housing and Planning (Gavin Barwell):** Social housing has a crucial role to play in supporting those in most housing need. To that end, powers were provided for in the Housing and Planning Act 2016 to introduce an income based rents policy, requiring local authorities to set higher rents for higher income council tenants.

Since the summer, the Government have been reviewing this policy. We have listened carefully to the views of tenants, local authorities and others and as a result, we have decided not to proceed with a compulsory approach. Local authorities and housing associations will continue to have local discretion.

The Government remain committed to delivering their objective of ensuring social housing is occupied by those who need it most. But we need to do so in a way that supports those ordinary working class families who can struggle to get by, and in a way which delivers real savings to the taxpayer. The policy as previously envisaged did not meet those aims.

This is why we are introducing the mandatory use of fixed term tenancies for new tenants in local authority housing. This will better enable councils to give priority to people with the greatest housing need. Councils will review tenancies at the end of each fixed term to ensure that tenants still need a socially rented home. The Government's guidance to councils will make clear that they should take into account a household's financial circumstances when looking at this, and that, except in exceptional circumstances, tenancies should be targeted on those on lower incomes.

We will also consider whether other options exist to ensure that high income tenants in social housing make a greater contribution to costs.

We are keen to work with local authorities to tackle housing tenancy fraud. In 2013, the National Fraud Authority estimated the cost of such fraud—largely illegal sub-letting and lying about circumstances to obtain tenancies—to be in the region of £850 million a year.

For most existing tenants, social housing represents a home for life at a rent well below market levels. The Government remain committed to ensuring it goes to those who need it most.

We have already announced for this spending period we are putting £8 billion into affordable housing delivery. Building more homes is central to this Government's vision of a country that works for everyone. We will publish a Housing White Paper shortly, setting out measures to help us deliver this ambition.

[HCWS274]

## CULTURE, MEDIA AND SPORT

### Education, Youth, Culture and Sport Council

**The Secretary of State for Culture, Media and Sport (Karen Bradley):** The Education, Youth, Culture and Sport Council will take place in Brussels on 21 and 22 November 2016. Shan Morgan, the UK Deputy Permanent Representative to the EU will represent the UK at the Youth, Culture and the Sport sections of the Council.

#### Youth

The Council will be asked to adopt draft conclusions on promoting new approaches in youth work to uncover and develop the potential of young people. The conclusions will recommend the need to promote effective and innovative cross-sectoral policies that can help young people realise their full potential. The UK intends to support the adoption of the conclusions.

The presentation will be immediately followed by a policy debate on youth engagement

#### Culture

The Council is expected to present a progress report on the proposals for the revised audiovisual media services directive. The audiovisual media services directive seeks to ensure the effective operation of the internal market for television broadcasting services by ensuring the free movement of broadcasting services throughout the EU.

This will be followed by first reading on the proposal for a European Year of Cultural Heritage (2018). The objective of this initiative is to raise awareness of the opportunities that cultural heritage bring, mainly in terms of intercultural dialogue, social cohesion and economic growth. At the same time, the European Year aims at drawing attention to the challenges that cultural heritage is facing, including environmental and physical pressure on heritage sites and illicit trafficking of cultural objects. The UK intends to support this proposal.

The Council will then be invited to adopt a proposal to amend the European Capitals of Culture for the years 2020 to 2033 to extend the access to EFTA/EEA countries. The UK Government are supportive of this proposal.

Finally there will be a public debate, 'towards an EU strategy for international cultural relations'. This will discuss how the EU and its member states can co-operate to bring about a more strategic approach to culture in external relations.

#### Sport

The Council will seek adoption of its draft conclusions on sport diplomacy. The conclusions will acknowledge that sport is a possible tool in supporting intercultural, economic and political co-operation, and that its potential can be part of extending and strengthening contacts between the EU and third countries. The UK intends to support the adoption of these conclusions.

This will be followed by a public debate on the impact of sport on personal development. The UK intervention will be to demonstrate the work the UK is already carrying out in this area through participation, Olympic legacy and the sport strategy.

*Other business*

The French delegation will present information on reform of the European copyright framework. This will be followed by the Croatian and Irish delegations on the European Capitals of Culture 2020. The Italian delegation will then present information on 'Facing crisis in Europe: Investing in Culture'.

The Council will also be presented with information on the World Anti-Doping Agency (WADA) meeting in Glasgow (19-20 November). This information will be provided by the EU member states representatives in WADA; Belgium, UK and Malta. This will be followed by the French delegation on development and specific features of the organisation of European sport. Finally there will be information from the Maltese delegation on the work programme of their incoming presidency.

[HCWS272]

**WORK AND PENSIONS****Housing Benefit and Universal Credit**

**The Secretary of State for Work and Pensions (Damian Green):** One of the Government's key commitments is to protect the most vulnerable. Supported housing supports hundreds of thousands of the most vulnerable people across the country. A safe, stable and supportive place to live can be key to improving people's lives, and for many it is a stepping stone to independent living in the longer term. The Government value the role supported housing plays and are committed to protecting and boosting the supply of supported housing and ensuring it provides value for money and works for those who use it as well as those who pay for it.

On 15 September I announced how from 2019-20 we will be introducing a new funding model for Supported Housing. This will ensure that the sector continues to be funded at the same level it would have otherwise been in 2019-20, taking into account the effect of the Government policy on social sector rents. From 2019-20, core rent and service charges will continue to be funded through Housing Benefit or Universal Credit up to the level of the applicable local housing allowance rate. For costs above the level of the local housing allowance rate, Government will devolve an amount of funding for disbursement locally. In England, we will devolve funding to local authorities to provide additional "top-up funding" to providers where necessary, reflecting the higher average costs of offering supported housing, compared to general needs. An equivalent amount will be provided to the

devolved administrations and it will be for them to decide how best to allocate the funding. Until 2019-20 the application of the local housing allowance rate to supported housing will be deferred. This measure confirms the Government will continue to provide support for those who require supported housing and ensures providers can have the confidence they need to invest in new development

I set out in my statement of 15 September 2016 my intention to consult on the implementation of this new funding model and committed to publishing a consultation. Today, along with my right hon. Friend, the Secretary of State for Communities and Local Government, we are publishing a consultation document to develop the detail that will underpin the new funding model. We are also publishing the evidence review of supported accommodation in Great Britain, jointly commissioned by my Department and the Department for Communities and Local Government at the end of 2014. The review has provided a helpful insight into the scale, scope and cost of the sector.

Furthermore, I am able to announce today a simplification and alignment of the application of the local housing allowance policy for general needs accommodation, in light of the changes that have been made to supported housing. We propose to bring in the policy for general needs accommodation in the social rented sector in 2019, instead of 2018 as previously announced, to align with the changes to supported housing.

For Housing Benefit it will apply, as announced at autumn statement 2015, to tenants who have signed new or re-let tenancies from 1 April 2016 and their social sector rent is higher than the local housing allowance rate. Those on Housing Benefit who took their tenancy before April 2016 will not be affected.

For Universal Credit, to ensure simplicity and a streamlined process, local housing allowance rates will apply to all new and existing tenants, again only where their social rent is higher than the relevant local housing allowance rate.

People moved by the Department from Housing Benefit to Universal Credit after April 2019 whose overall benefit entitlement is lower will be protected, in cash terms, under transitional protection arrangements. On reaching state pension age Universal Credit claimants flowing back on to Housing Benefit with tenancies signed before April 2016 will also be protected.

Additional discretionary housing payments were made available at autumn statement 2015 to protect the vulnerable and help people make the transition to the new rules.

[HCWS273]

# Petition

Monday 21 November 2016

## OBSERVATIONS

### COMMUNITIES AND LOCAL GOVERNMENT

#### Change of use of Abberley Hotel

*The petition of residents of the UK,*

Declares that Walsall Metropolitan Borough Council should not approve the planning application to change the use of the Abberley Hotel to a 32-bed house in multiple occupation (HMOs); further that there are too many HMOs in Walsall; further that Walsall Council's Housing Standards objects to this application; and further that 194 individuals have signed a local petition on the same subject.

The petitioners therefore request the House of Commons to urge Walsall Metropolitan Borough Council to reject planning application 15/1266.

And the petitioners remain, etc.—[Presented by Valerie Vaz, *Official Report*, 27 October 2016; Vol. 616, c. 520.]

[P001968]

*Observations from the Minister for Housing and Planning (Gavin Barwell):*

Walsall Metropolitan Borough Council are responsible for the day to day planning of their area. The Government's policy is not to interfere with the jurisdiction of a local planning authority unless it is necessary to do so. This is because local authority Councillors are elected to represent the views of local people and, in the main, it is these Councillors who are in the best position to decide whether a development should go ahead. In determining a planning application the local planning authority are required to have regard to all material considerations including the development plan, national policies and views expressed by third parties. It is, of course, for local planning authorities to provide whatever justification that may be appropriate to give for their decisions and procedures.

The Government are committed to giving more power to councils and communities to make their own decisions on planning issues, and believe planning decisions should be made at the local level wherever possible.



# ORAL ANSWERS

Monday 21 November 2016

	<i>Col. No.</i>		<i>Col. No.</i>
<b>WORK AND PENSIONS</b> .....	583	<b>WORK AND PENSIONS—continued</b>	
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# WRITTEN STATEMENTS

Monday 21 November 2016

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**not later than  
Monday 28 November 2016**

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