

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Fifth Delegated Legislation Committee

DRAFT IMMIGRATION ACT 2014 (CURRENT
ACCOUNTS) (EXCLUDED ACCOUNTS AND
NOTIFICATION REQUIREMENTS)
REGULATIONS 2016

Tuesday 6 December 2016

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The Committee consisted of the following Members:

Chair: MR DAVID NUTTALL

Ali, Rushanara (*Bethnal Green and Bow*) (Lab)

† Barclay, Stephen (*Lord Commissioner of Her Majesty's Treasury*)

† Davies, Byron (*Gower*) (Con)

† Fitzpatrick, Jim (*Poplar and Limehouse*) (Lab)

† Henderson, Gordon (*Sittingbourne and Sheppey*) (Con)

Hodge, Dame Margaret (*Barking*) (Lab)

† Kirby, Simon (*Economic Secretary to the Treasury*)

† McDonald, Stuart C. (*Cumbernauld, Kilsyth and Kirkintilloch East*) (SNP)

Mann, John (*Bassetlaw*) (Lab)

† Mitchell, Mr Andrew (*Sutton Coldfield*) (Con)

† Parish, Neil (*Tiverton and Honiton*) (Con)

† Prisk, Mr Mark (*Hertford and Stortford*) (Con)

† Reynolds, Jonathan (*Stalybridge and Hyde*) (Lab/Co-op)

† Shapps, Grant (*Welwyn Hatfield*) (Con)

† Smith, Jeff (*Manchester, Withington*) (Lab)

† Thewliss, Alison (*Glasgow Central*) (SNP)

† Williams, Craig (*Cardiff North*) (Con)

† Wollaston, Dr Sarah (*Totnes*) (Con)

Gail Bartlett, *Committee Clerk*

† **attended the Committee**

Fifth Delegated Legislation Committee

Tuesday 6 December 2016

[MR DAVID NUTTALL *in the Chair*]

Draft Immigration Act 2014 (Current Accounts) (Excluded Accounts and Notification Requirements) Regulations 2016

8.55 am

The Economic Secretary to the Treasury (Simon Kirby): I beg to move,

That the Committee has considered the draft Immigration Act 2014 (Current Accounts) (Excluded Accounts and Notification Requirements) Regulations 2016.

It is a great pleasure to serve under your chairmanship, Mr Nuttall. Effective immigration controls require responsibility to be shared. Recognising that shared responsibility, the Immigration Act 2014 took action to limit the services available to known illegal migrants. That included prohibiting firms from opening current accounts for a disqualified person—an illegal migrant liable for removal or deportation who the Home Secretary considers should be denied access to a current account.

The Immigration Act 2016 builds on those measures, targeting already open accounts that were either opened before the 2014 Act came into force or opened legally by a person who later became disqualified because of a change in their immigration status. The 2016 Act requires firms to check details of their current account holders against the details of disqualified persons provided to them via CIFAS, a specified anti-fraud organisation. They are then required to report the results of the checks to the Home Office and, if instructed by the Home Office, to close accounts or prevent continued access to them.

The 2016 Act delegated power to the Treasury—hence my appearance here today—to make regulations that detail how the regime should work. This negative statutory instrument should be read alongside the Immigration Act 2014 (Current Accounts) (Compliance &c) Regulations 2016, which were made on 7 November. It prescribes that firms carry out quarterly immigration checks, and it sets out the Home Office’s response to notifications from firms, and a requirement for firms to inform the Home Office of steps they have taken to comply with the duty to close accounts.

I will now take each of the three main areas of the statutory instrument in turn. The first is the types of account on which firms must make immigration checks. The 2016 Act requires firms to make checks on current accounts and the statutory instrument specifies that not all current accounts are within scope of that requirement. Firms are not required to extend checks to all existing current accounts. They are required to conduct checks on existing personal current accounts only, and not on corporate or business accounts. That reflects the Government’s ongoing view that current accounts are the gateway product to other financial services and a

settled life in the UK. It also takes into account existing prohibitions, which are in the 2014 Act, meaning that a disqualified person cannot evade the legislation by closing a current account and opening a business account as a sole trader or a charity.

At this point, I should confirm that the Government’s intention in relation to the term “current account” has not changed from that outlined in the debates on the 2014 regulations. My colleague, the previous Economic Secretary, set out that intention on 10 November 2014.

On notifications, if a firm makes an immigration check on a personal current account and finds a match, the bank is required to notify the Home Office using a secure Home Office portal. The statutory instrument requires firms to provide certain information in that notification, including details of any other accounts that the firm holds for the disqualified person and the balances held in them. Information about regular payments into accounts above a threshold of £200 has been included in the requirements, to allow the Home Office to identify patterns of payments that might constitute evidence of illegal working. The requirement to provide information is limited to what firms hold and can retrieve; it does not require further investigation of data not held. The Home Office will then confirm the match, based on its data, and instruct the firm on the next steps. Depending on the information provided, and the details of the disqualified person’s case, the Home Office may apply to court for a freezing order, or notify the firm that it is under a duty to close any accounts it holds for that person. The Committee might be interested to know that the Home Office is preparing a code of practice on freezing orders, which will be laid in Parliament in advance of implementation.

When a firm is notified of its duty to close accounts, the 2016 Act allows it to delay closure for a reasonable period to recover debt or to manage the effect on third parties. Firms will also be able to comply with the duty without closing an account, if they are able to take steps to prevent the account from being operated by the disqualified person. Firms are required to provide the Home Office with information about the steps they have taken to comply with the duty. Finally, the instrument enables the Financial Conduct Authority—the FCA—to monitor and enforce firms’ compliance. That mirrors the FCA’s existing role for the purposes of the 2014 Act.

The regulations come into force on 30 October 2017, with firms making their first check in the first quarter of 2018. I take this opportunity to thank firms for their constructive engagement with my officials regarding the regulations and I hope that members of the Committee will agree that they strike an appropriate balance. On the one hand, they create requirements on firms that are appropriately targeted and proportionate and, on the other, they achieve the policy intention of preventing continued access to banking services, and encourage those here illegally to leave the UK or to regularise their stay. I commend the statutory instrument to the Committee.

9.2 am

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I thank you for calling me, Mr Nuttall, and I thank the Minister for his opening speech.

The Government have said that it is their intention to create what the Prime Minister herself has called “a hostile environment”. A whole package of measures,

many of which came into force on 1 December 2016, deny undocumented migrants in the UK basic rights. When I see footage of desperate people loading their children into dinghies in the Mediterranean or paying traffickers thousands of pounds to risk death by being loaded into lorries in conditions worse than those faced by cattle, I am not sure we will ever create an environment more hostile than the one those people seek to leave. But what measures such as these can succeed in doing—undoubtedly very successfully—is to further debase the language, the discourse and the tone we use to talk about migration.

Having access to a bank account is a fundamental part of modern living, but the hostile environment includes prohibiting banks from opening current accounts for migrants who fail to pass an immigration check. Banks will be forced to check current accounts against migrant databases and notify the Home Office if checks confirm that an account holder no longer has permission to remain in the UK. That could lead to the freezing or closure of bank accounts and have huge consequences for people who might not be able to provide evidence of their leave to remain, potentially through no fault of their own. It will also leave vulnerable migrants at the mercy of banks that might have little understanding of how the immigration system works.

The regulations prescribe on accounts that are excluded by the current regulations, including those opened by migrants before the 2014 Act came into force in December of that year, as the Minister explained. People who had leave to remain at some point and legitimately saved up funds for their future will be particularly affected.

The Opposition therefore oppose the measures because we oppose the rhetoric of hostility and its practical side effects. We do not accept the scapegoating of migrants as a smokescreen for the Government's austerity programme. If the NHS, social care and other public services are under strain—they certainly are in my constituency—it is because of the policies pursued by the Government and we should never forget or ignore the huge contribution of migrants to making those public services work.

Colleagues will be aware that serious concerns have been expressed about the effect the measures could have on individuals and communities. They are part of a worrying extension of powers that will further reduce the rights of all citizens and fly against the core British values of fairness, compassion and decency. The explicitly hard-line approach risks making the UK a more hostile environment for everyone, and in particular for all migrants and black and minority ethnic communities. There is a danger that bank workers, in fear of breaching the regulations, will end up making the wrong decisions, making judgments on ethnicity, surname and/or nationality that will disproportionately affect some groups. It has already been confirmed that several hundred people wrongly had their driving licences revoked by parallel measures. How many people will wrongly have their bank accounts frozen by this order? It will not be none.

Making it harder for people to get access to a bank account may also ultimately put people in danger. It will drive them further into the underworld in which they have no choice about whom they deal with, and what they have to do to gain the essentials of life. I do not want that for people who have the right to live

here; nor do I want it for people who do not have that right. I do not want to compel anyone into that desperation.

The fact this Government have chosen to parade phrases like “hostile environment” embodies a dangerous and irresponsible opportunism. If they raise the temperature, create a certain political climate and appear to be licensing discrimination, that will have consequences which will be paid for by some of the most vulnerable people in our society.

Is immigration to the UK too high? In my view, it is. There have to be reasonable limits on immigration in any society. But these measures will make no difference to that. The Prime Minister has had six years as Home Secretary doing exactly this sort of gesture politics, yet immigration has hit record highs. We will see reductions in immigration only when we acknowledge that skills shortages at home will always drive immigration, and when we address the severe inequality found just beyond our borders.

As for a hostile environment, we are already a country where an MP can be murdered while doing their job by someone who perversely has come to believe that his actions are the work of a patriot. The Government are not making a hostile environment, but they are making a toxic one. I therefore oppose the order and intend to divide the Committee.

9.6 am

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Like the hon. Member for Stalybridge and Hyde, we oppose the Government's stated policy of creating a hostile environment. The related set of policies is dangerous and probably counterproductive to the Government's aims. There is no evidence that the policies will be effective in the way that Government hope they will be. Instead, it will probably cause trouble for everyone, because we cannot seal off illegal migrants from those who are here with leave. Everyone will experience that hostility. This policy will probably force irregular migrants even further underground making enforcement harder. It also presumes that information on immigration status passed from the Home Office to third parties is correct, but it is often not, for a variety of reasons.

If any aspect of the whole hostile environment policy has some sort of logic to it, perhaps on paper this measure has. However, like too much UK immigration policy, it is pursued and rolled out without any proper assessment of the evidence of its effectiveness or, indeed, the downsides that the existing policy has brought about.

The hon. Member for Stalybridge and Hyde raised questions about the numbers of people who might be involved. Earlier this year, the chief inspector of borders and immigration noted that the data being shared with banks and building societies about new account openings might not

“be updated with relevant information, e.g. a voluntary return or a lodged appeal, until some months after the event, and that data was often entered in the wrong place,”

often as comment-free text. He continued:

“the list was not always accurate, with both omissions and individuals wrongly included as ‘disqualified persons’ who had departed, or had succeeded in an appeal or had regularised their immigration status and were not in the UK with valid leave”.

[Stuart C. McDonald]

An inspection of 169 cases on the database showed that 17—10%—should not have been there: nine had leave to remain, six had applications for outstanding leave to be extended and two had an outstanding appeal. We need to remember that the list contains details of about 200,000 people, so we could be talking about some 20,000 innocent people being affected.

On the other hand, there is no systematic data about whether this policy improves border control in any way. The Home Office gives us its warm intentions that the policy will lead to people leaving. However, there is no evidence of Home Office follow-up or use of the information it receives on data matches and there is no evidence that the policy persuades people to leave voluntarily either. Before rolling out the scheme, we surely need to see improvements in that regard.

The fact that we are revisiting the policy suggests that there are difficulties. The 2016 Act is there to fill the loopholes left by the 2014 Act, but these regulations suggest that we have to roll back from legislation that was passed just a few months ago. These regulations leave lots of questions unanswered. The Minister went some way in his statement, which I welcome, to explain exactly why we need to exclude certain accounts from the scope of the regulations. Essentially, it is to rule them into line with previous regulations. The explanatory memorandum states that the new exclusions mean

“that firms are not required to make a check on all current accounts, for example corporate or business accounts. This approach is intended to be targeted and proportionate and to take into account the existing prohibitions in the 2014 Act.”

I would like to hear a bit more about the thinking behind that. I would like to know how many checks are envisaged to occur and, if the 10% error rate is applied, how many thousands of innocent people will be caught up in this? If innocent people are caught up in this, what sort of compensation will there be for those mistakes?

In conclusion, I remain sceptical. We too reject the approach the Government take in attempting to create a hostile environment. More importantly, we need evidence of what the regulations will do and the steps the Government will take to resolve some of the already outstanding issues.

9.11 am

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to see you presiding over our considerations this morning, Mr Nuttall. I apologise to the Minister if he has already covered this point but I will be brief. My concern reinforces that articulated by the two shadow spokespersons.

Over many years, I have seen constituents failed by the asylum system. They have been declared illegal but subsequently identified errors in the paperwork made by the Home Office, the immigration authorities or the tribunal. I assume that under these regulations they would be regarded as illegals. Numerous constituents, on a rehearing or appeal, have subsequently demonstrated that they are entitled to be in this country and ought not to have been classified as illegal in the first instance. However, because they are illegal they are ruled not to have access to any state funds or benefits. They live on charity from family and friends, churches and local

mosques. I fear that the regulations, robbing those few who do have some bank funds and accounts, could exacerbate the situation and make more people destitute, particularly those who can ultimately demonstrate that they have a right to be here.

To echo my hon. Friend the Member for Stalybridge and Hyde, this looks like a sledgehammer to crack a nut. I will support my Front-Bench colleagues in any Division they call, unless the Minister can reassure us that more people who are entitled to be here but were initially ruled illegal will not be thrown into greater destitution through not being able to work until their case is solved and not being entitled to access benefits while what little funds they may be able to call on are frozen.

9.13 am

Alison Thewliss (Glasgow Central) (SNP): I had not intended to speak but I want to talk briefly about some of my constituents. As the hon. Member for Poplar and Limehouse mentioned, they might have a very difficult progress through the immigration and asylum process—I have many constituents who face that. They will use what funds they have, in the bank accounts they are able to access, to pay for lawyers. If they cannot pay for legal advice when needed that will make their case all the more difficult. I wonder whether that is the Government's intention: to make it more difficult for people in those circumstances to get the help that they are entitled to and fully deserve.

I have another concern. If a person uses a bank account to pay for accommodation, they will not be able to do so without that account. So many things are now online; people will be expected to pay their bills online. I am concerned that they will not be able to do that via a bank account any more while they await the outcome of the asylum process. As my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East mentioned, mistakes can be made in that process. Like other hon. Members, I have experienced many instances of the Home Office being incompetent during the process while people are awaiting information. That again makes it all the more difficult for them.

I am also concerned about families with dependent children. A child might need funds for clothes and food and this bank account might be the holding account for those things. People might be getting help from somebody, with that help going into that account. If the person does not have access to the account, the Home Office will force that family into destitution because they will have no means of supporting themselves. Again, perhaps that is the Government's intention, but it is a pretty wicked intention to force families out while they might have a legitimate claim to be here and while they are going through a very complex and arduous asylum and immigration process.

I know from my caseload that this can take some time; you can go through multiple appeals and various different levels of appeal. New grounds can be brought as well. That process is complex and difficult and while all of this is going on, with the threat of losing the limited funds they have, the fact that the rug could be pulled out from under them while they might have a legitimate claim to be here and are going through that very difficult process concerns me greatly.

I ask the Government to provide more evidence of why this is necessary, and to demonstrate that they will not stigmatise particular groups unfairly. It would be good to see how the equality of the system will be ensured. If people are losing out, as my hon Friend mentioned, because of administrative errors or delays or something else, and all of a sudden they find they do not have a bank account either, there has to be some comeback from the Government to these people to apologise and make right.

9.16 am

Gordon Henderson (Sittingbourne and Sheppey) (Con): Like the hon. Member for Glasgow Central, I was not going to speak in this debate—I rarely do on these occasions—but the more I hear, the more frustrated I get. Do these people live on a different planet from me? Or is it because I live in Kent and we are at the coalface as regards illegal immigration in this country?

Having read the regulations, it seems to me to be quite clear that this relates only to people who do not have a right to be in our country. The more we make it easier for people who do not have a right to live in our country to live here by giving them bank accounts and such like, the more we will be encouraging even more people to come to Dover and come into this country as illegal immigrants. I will certainly be supporting the Government on this occasion.

9.17 am

Dr Sarah Wollaston (Totnes) (Con): Further to the point made by the hon. Member for Glasgow Central, I want to ask the Government about the position of families with dependent children. I can think of a family in my own constituency who have a severely disabled child and are awaiting the outcome of an appeal. As it happens, they are already heavily dependent on the generosity of others. To throw such families into a position where they would not be able to continue to support that child would be very regrettable and I do not feel I could support the Government unless there was a reassurance that individual circumstances would be taken into account, particularly where there were dependent children who, through no fault of their own, would be left utterly destitute.

The Chair: Did anyone else want to speak? Minister? No—sorry, Mr Shapps, I did not see you standing.

9.18 am

Grant Shapps (Welwyn Hatfield) (Con): I, too, had not intended to speak in this debate, which is why I only slightly half-indicated my intention to do so. Having been inspired by others who have, however, I thought it would be worth adding a couple of comments.

I thought that the Opposition Front-Bench spokesman made an excellent speech, which was both passionate and powerful. Unfortunately, it did not address the key issue in this piece of delegated legislation, which is about people who no longer have the right to be in this country. I was on the Home Affairs Cabinet Committee when this idea was first circulated and discussed. At the time, we were specifically trying to target people who

had repeatedly been refused access or leave to remain and yet were still in this country. The reason I thought the speech was so powerful, if rather misled in terms of the target of what we are actually discussing today, is that we have all sat in our constituency surgeries—have we not—and had cases that are heartbreaking. A constituent came in on Friday who has had many years of struggling to get through the system. Heartbreaking though that case was, that person has been refused leave to remain and is here illegally. They have now established so many roots in this country that one could not do anything but have enormous sympathy for their situation and, indeed, as the constituency MP, look desperately for ways to help and assist.

If I search in my soul and ask myself about that case, I realise that the British state has let that individual down more than anybody else. Over the years, we have given every possible indication that that person will have the right to remain in this country while at the same time holding their legal case at bay. That right has included, for example, the ability to access bank accounts and do other things that normalise their situation, to give them roots that make them so established that, when the final legal decision that they can no longer remain here is properly made—in a way that everyone in this place would agree with—that decision is absolutely heartbreaking. So, we need to act in accordance with some kind of process that does not lead people to assume that eventually it will all work out when in fact they have no statutory right to be here.

To my colleagues on the Opposition Front Bench, I say that to talk about Syria and then immediately pivot to talking about people in this country and paint the Government as heartless is to ignore £2.3 billion spent trying to help people in Syria. That was brushed over as if it did not exist, then the subject pivoted to this particular piece of delegated legislation, which, as the hon. Member for Stalybridge and Hyde knows, covers one particular aspect of people establishing roots in this country in a way that, in the end, makes it harder not just for this country but for them to sever those links.

I understand many of the concerns that have been raised—and I hope the Minister will address some of them in his response—but there is a wider responsibility to people in this country. That includes looking after the law as it stands, making sure people can be removed when their applications have failed and ensuring that they do not end up in a position where the idea of their citizenship has been so enshrined, including with things like their bank accounts, that is it almost impossible for them to leave.

9.22 am

Simon Kirby: It has been clear this morning that Members have considered this important issue in full, and clearly there are differences of opinion. I thank members of the Committee for their points—I will do my best to respond to many of them. The hon. Member for Stalybridge and Hyde mentioned rhetoric about migrants, scapegoating of migrants, and the rights of all citizens. I want to state clearly that the UK is very much open for business: it is globally facing and outward-looking and I am sure that will continue—it is one of our great strengths.

[Simon Kirby]

The hon. Gentleman asked about vulnerable disqualified people. Let me be clear: those with outstanding asylum applications or appeals will not be affected, nor will those who have been granted leave to be here. That is a very important point. He asked about the accuracy of data. I can assure him that the data are subject to rigorous checks at the Home Office before they are shared with anyone. It is also important to say that this will not affect anyone's ability, within the usual rules and with the usual checks and balances, to open a bank account. There will be no de-risking by the banks. This is a quarterly exercise, a matching exercise, and it is targeted at a group of people who have no right to remain in this country.

The hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East also asked about data quality. I have said that the data are subject to rigorous checks. The current account is reported to the Home Office only if there is a clear data match. The Home Office will then carry out a secondary check, and if an individual still thinks there has been a mistake, they can contact the Home Office for remedy.

The hon. Member for Poplar and Limehouse also mentioned data quality. It is always important to get these things right, and not to make mistakes. The Home Office is developing a data quality strategy intended to improve data quality. It is also important to know that this is not about stealing people's money. Money will be returned to the account holder in the normal manner if the balance is in credit, in line with standard bank account practice.

The hon. Member for Glasgow Central raised the possibility of families being forced out of their homes. Disqualified people are known illegal migrants who are liable for removal or deportation. They have exhausted all appeal rights, and the Home Secretary must consider that they should be denied access to banking services. Such people have no right to be in the UK. I will come to the important point made about that by my hon. Friend the Member for Totnes.

The hon. Member for Glasgow Central also asked about living expenses. If an account is simply closed, any credit balance can be returned to the account holder as usual, in line with individual banks' terms and conditions. If an account is frozen, it will be unfrozen when the illegal migrant leaves the UK, subject to any action related to the proceeds of crime. The purpose of the provisions is to make it difficult to live a settled life in the UK in order to encourage voluntary departure, not to confiscate assets. It is not about taking money away from people.

My hon. Friend the Member for Totnes raised the concept of discretion. The Home Office can exercise discretion about who should be permitted to hold an account. It is intended that that discretion should be used in exceptional circumstances—it is possible that her case might be one of them—to avoid unduly harsh consequences for vulnerable people who face a genuine obstacle to leaving the UK.

I am not sure that I have persuaded anyone to change their mind, but this is an important issue. This balanced measure is a small part of a huge tool kit of measures and encouragements, on the other side of the coin, that I have not mentioned.

Dr Wollaston: I thank the Minister for his reassurance. He says that “exceptional circumstances” will refer to vulnerable people who face an obstacle to leaving the UK. Can he clarify that that could include exceptional circumstances involving child dependants?

Simon Kirby: My understanding is that the Home Office can consider any exceptional circumstances. If I have heard correctly, my hon. Friend's case involved an appeal. Someone appealing a decision would not be subject to this legislation in the first case. I reiterate that only those people who have no right to remain and who have exhausted all the avenues available to them will be subject to it.

Jim Fitzpatrick: My point is that I have had a number of constituents over the years who have exhausted, or apparently exhausted, those avenues and been declared illegal, who have then found—to pick up on the comment made by the right hon. Member for Welwyn Hatfield—another route to challenge the decision. Sometimes they are straightforwardly delaying until such time as they can succeed; in some instances, they are not delaying, and genuinely new evidence has come to light, or an error has been identified.

The period between being declared illegal and winning that particular point of law or correcting data that the Home Office has got wrong can be years. What the Minister is saying is that during the course of those years, they will not be able to access what little money they might have in a bank account, and will rely on the charity of friends and family, churches, food banks and mosques. To reply to the point made by the hon. Member for Sittingbourne and Sheppey, we are on this planet; we just disagree with the points that he is putting forward.

Simon Kirby: The hon. Gentleman raises a valuable point. My understanding is that if that were the case, the Home Office would be open to argument. The instrument is a small piece of legislation in a wide range of tools. I feel obliged to mention the £140 million announced at the Conservative party conference for a controlling migration fund specifically designed to ease the pressures on public services in areas of high immigration.

My hon. Friend the Member for Sittingbourne and Sheppey raised an alternative perspective. It is about getting the balance right and providing the welcome that the UK is famous for—not putting up barriers, being outward-facing and globally-looking—while, at the same time, providing a degree of fairness when it comes to people who should not remain in this country.

Stuart C. McDonald: This is a genuine question. The only other issue I have with the proposed regulations is the intention to exclude a whole series of accounts from the operation of the rules, including accounts used by an individual

“for the purposes of a trade, business or profession.”

All the Minister said in that regard was that the measures are in line with earlier regulations, but I still do not quite understand the rationale for that. If that happens, surely we will be going after—for want of a better expression—the little people, whereas people with business

accounts and so on are being excluded from the force of the rules altogether. I would appreciate some explanation of the rationale for that.

Simon Kirby: I need to be clear on this. The rationale and scope of the legislation is personal current accounts because that is felt to be the area where the legislation can have the most effect. Businesses of all sizes are unaffected. Businesses are only mentioned should someone have a current account that falls foul of the matching process, when the banks are obliged to provide all the information about the other accounts that that individual may hold. However, it does not stop any business accounts—large or small. [*Official Report, Vol 618, 6 December 2016; c. 1-2MC.*]

I have done my best to provide assurances on the many points made by Committee members. I know that we all share a desire for a targeted and proportionate system. I am confident that the statutory instrument represents a balanced and sensible approach to continued access to banking services by disqualified persons. I hope that hon. Members support the regulations.

Question put.

The Committee divided: Ayes 9, Noes 5.

Division No. 1]

Barclay, Stephen
Davies, Byron
Henderson, Gordon
Kirby, Simon
Mitchell, rh Mr Andrew

AYES

Parish, Neil
Shapps, rh Grant
Williams, Craig
Wollaston, Dr Sarah

NOES

Fitzpatrick, Jim
McDonald, Stuart C.
Reynolds, Jonathan

Smith, Jeff
Thewliss, Alison

Question accordingly agreed to.

Resolved,

That the Committee has considered the draft Immigration Act 2014 (Current Accounts) (Excluded Accounts and Notification Requirements) Regulations 2016.

9.34 am

Committee rose.

