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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Tuesday 10 January 2017

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

Yemen

1. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What recent assessment he has made of the security and humanitarian situation in Yemen. [908030]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Happy new year to you, Mr Speaker.

The humanitarian situation in Yemen is one of the most serious crises in the world. The UN estimates that 19 million people are in need of help. The UK is providing support, and we are spending more than £100 million to provide assistance. We all agree that a political solution is the best way to end this conflict. I met foreign Ministers from Saudi Arabia, Oman, the United Arab Emirates and the United States on 18 December in Riyadh, along with Ismail Ahmed, the UN envoy, to advance the UN road map, which I hope will bring all parties back to the table.

Luciana Berger: The humanitarian situation in Yemen is deteriorating, and the UN estimates that 80% of the population are in need of humanitarian aid—about 21.2 million Yemenis. According to the Government's own figures, British aid, although welcome, has reached less than 5% of the people in Yemen who need it—obviously nowhere near enough for a major emergency that is affecting people not only in Yemen, but in my constituency. What plans does the Minister have to increase the number of people in Yemen who can directly benefit from British support?

Mr Ellwood: The hon. Lady raises an important aspect of this very sad conflict: we are denied a political solution, but it is the people of Yemen who are suffering. The cause of the problem is the inability to get aid into the country. The port of Aden is used as a conduit, but the main access to the majority of the country is through the port of Hodeidah, which unfortunately is currently in Houthi hands. The cranes are out of action, but we must ensure that we can gain greater access through. I spoke with Ismail Ahmed about what we can do to

repair the cranes so that bigger ships can get in with equipment and support, which can then be distributed across the country.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I wholly endorse the remarks of the hon. Member for Liverpool, Wavertree (Luciana Berger). The UN reports that there might be up to 370,000 starving children in Yemen, so in addition to our own aid what discussions has my hon. Friend had with Saudi Arabia and other Gulf states about providing significant humanitarian aid themselves?

Mr Ellwood: It is fair to say—that this is an important question—that while the headlines are about the military campaign Saudi Arabia and other members of the coalition are doing huge amounts to provide support and humanitarian aid for refugees in their countries. This is often done outside the auspices of the United Nations. During the United Nations General Assembly, my right hon. Friend the Secretary of State for International Development held a conference to bring further countries together to support Britain's work to get aid into and across the country.

Keith Vaz (Leicester East) (Lab): I thank the Minister and the Foreign Secretary for their personal efforts in trying to broker a ceasefire. That is the key: we need a ceasefire in the same way as Turkey and Russia managed to achieve one for Syria. Have there been any further discussions with the United States about getting this back on to the agenda of the Security Council? I know that the Foreign Secretary was in America at the end of last week, so was this issue raised? When can we get this back for discussion at the UN?

Mr Ellwood: A later question on the Order Paper focuses on a UN Security Council resolution, but to touch on it now, yes, it is our ambition to gain a resolution along the lines of what the road map sets out. We met on 19 December and confirmed the direction of travel in which we want to go. The right hon. Gentleman will know from his understanding of the country that it is not so simple as suggesting this is all about the Houthis versus President Hadi and forces on his side. The complex tribal structures that are involved require the buy-in of many parts of the country to ensure that the ceasefire and cessation of hostilities can last.

15. [908044] **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): Can the Minister confirm media reports that Oman is now publicly backing the Saudi-led coalition's attempts to bring security back to Yemen?

Mr Ellwood: I can confirm that Yusuf bin Alawi, foreign Minister for Oman, was at the discussions on 19 December, along with Adel al-Jubeir, the Foreign Minister for Saudi Arabia, and Abdullah bin Zayed from the United Arab Emirates. These are the key nations providing support, and I pay tribute to the work that Oman has done through its discussions, bringing the Houthis to the table so that we can get something secure for the ceasefire that we are all searching for.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Inaccurate information has been provided to Parliament a number of times on Yemen and Saudi Arabia. The Minister has said previously that he acted

immediately. However, a new freedom of information request reveals that not only the Minister but the former Foreign Secretary knew as early as 28 June last year that Parliament had been misled, but this was not corrected until 21 July. Does the Minister believe that the ministerial code was complied with?

Mr Ellwood: I can only guess that the hon. Gentleman's question relates to the sale of cluster munitions, because he did not explain its context. Perhaps we can meet later so that he can ask me a fuller question. Alternatively, he can attend the debate on Thursday, when we shall doubtless discuss Yemen in more detail.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Last month the Defence Secretary informed the House that the Saudi Government had given assurances that they would no longer use UK-manufactured cluster bombs. Has the Minister received confirmation from the Saudis that they have now disposed of their stocks of those weapons?

Mr Ellwood: They have confirmed that that is their intention, and I hope to be able to ensure that it has actually happened in time for Thursday's debate. I can go further, and tell the House that, before the Prime Minister's visit to Manama for the Gulf Cooperation Council conference, I invited all the GCC nations to sign the convention on cluster munitions so that they could join other countries around the world in condemning those horrific weapon systems.

14. [908043] **Chris Elmore** (Ogmore) (Lab/Co-op): Fourteen million people in Yemen, more than half the population, are going hungry today. In the capital, Sana'a, residents have resorted to scavenging the rubbish dumps for scraps of food. What progress is the Minister making towards brokering a ceasefire so that the Yemeni people can get the help they need?

Mr Ellwood: What the hon. Gentleman has said returns us to the original question. It is vital for us to gain full access to Sana'a, but again, unfortunately, that is in the hands of the Houthis. We are unable to utilise the airport, which would be the best way to get aid into the country, because of disagreements that are taking place. The sooner we can get all parties back around the table—including supporters of Saleh—the sooner we can bring about a cessation of hostilities and get that important aid back into the country, including the capital.

Emily Thornberry (Islington South and Finsbury) (Lab): Let me begin by saying that I think it fitting for the House to welcome the fact that, whatever else 2016 brought, it was the first year in nearly four decades in which no member of our armed forces was killed in operations. Sadly, however, that is not because we live in a more peaceful world. In Yemen the conflict remains as fierce as ever, and the suffering of its children is worse than ever. As the Minister himself has said, it is the worst crisis in the world. One child is dying every 10 minutes from a lack of food.

I have here a copy of the United Kingdom's draft United Nations resolution, which could bring an end to that conflict and allow the delivery of humanitarian relief. There is not a single word in that draft resolution

with which any reasonable party could possibly disagree. Let me ask the Minister a simple question. Three months after the resolution's first appearance, why is the UK still sitting on it?

Mr Ellwood: A UN resolution must be drafted in a way that makes it workable. That means that all parties must sign and agree to it, because otherwise it is just a piece of paper. If we are to ensure that the resolution can stand on the basis of what we are saying and can be enforced, the parties must get round the table and bring about a cessation of hostilities. The hon. Lady is right: we work towards the drafts, but we do not implement them until we are sure that the resolutions can work in practice.

Emily Thornberry: I thank the Minister for his answer, but I must tell him that we have heard all this before. I know that the Ministers do not listen to their ambassadors any more nowadays, but this is what our UN ambassador, Matthew Rycroft, said back in November when he was asked what it would take to achieve a permanent ceasefire:

"The UK will continue to support efforts...including through the use—if necessary—of our draft Security Council resolution."

That was 50 days ago—50 days of continuing fighting—and we are still seeing the same old delaying tactics on the Government's part. Let me ask the Minister again: when will the Foreign Secretary pull his finger out, present the resolution, and end what even he has acknowledged is a terrible proxy war?

Mr Ellwood: I am sorry to use these words, but the hon. Lady has just illustrated that she has no grasp of the United Nations process itself, or of what is taking place on the ground in Yemen; and to suggest that any member of the Government does not listen to our ambassadors is to disingenuously mislead the House. I invite—

Mr Speaker: Order. Of one thing we should be clear: that the Minister has a grasp of parliamentary protocol. He cannot accuse somebody of disingenuously misleading the House; both words are wrong, and both must be withdrawn.

Mr Ellwood: I withdraw those remarks; if I add "inadvertently", and say inadvertently disingenuously misleading the House, would that work with you, Sir?

Mr Speaker: If somebody is disingenuous there can be nothing inadvertent about it, which I would have thought the hon. Gentleman was well-educated enough to recognise; do try to get it right, man.

Mr Ellwood: I think the point has been made, Mr Speaker, and I am sorry to test your patience, but it is important to understand that we take the words of, and work with, our ambassadors very seriously indeed. I spoke to Matthew Rycroft only a few days ago. We are the penholders on this matter at the UN Security Council, and I will make sure there is a phone call between him and the hon. Lady. He can explain the processes of the United Nations so that she becomes aware that we will not get a Security Council resolution passed until we get the cessation of hostilities in place.

Mr Speaker: Progress, apart from anything else, has been glacial—far, far too slow—so we need to speed up.

George Low

2. **Gareth Johnson** (Dartford) (Con): What recent representations the Government have made to authorities in northern Cyprus on the killing of George Low in Ayia Napa in August 2016. [908031]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): The Foreign Secretary raised this consular case in November last year, and our high commission in Nicosia is also raising this delicate matter, including in discussions with north Cyprus. We will continue to push to see those guilty of the murder of George Low brought to justice.

Gareth Johnson: I thank the Foreign Office for its hard work in trying to secure justice for both George Low and Ben Barker. Natural justice demands that people should not be able simply to walk away from custody when accused of murder, yet northern Cyprus has allowed this to happen with one of the suspects and it is feared that the second will soon follow. Please can the Minister reassure the victim's family that every possible effort will be made to persuade northern Cyprus to allow decency to prevail and for these men to face trial?

Mr Ellwood: The House will not be aware of this, but I know my hon. Friend is. It has been a delicate and difficult case and I commend the work he has done, including in working with the families, and I can assure him that the Minister with responsibility for Europe and FCO officials are fully engaged to provide the necessary support to both families. My hon. Friend will realise that because this involves north Cyprus, we cannot speak too widely about what discussions have taken place, but we are working hard to ensure justice is seen to follow.

Chris Bryant (Rhondda) (Lab): The Minister is right that this has been a complicated case, but there have been far too many complicated cases involving British nationals in the various different parts of Cyprus. Does he agree that the truth of the matter is that until we get a proper settlement of Cyprus so we no longer have a divided island and a divided city, there will be no long-term justice either for the people of this country in Cyprus or for that matter for the people of Cyprus?

Mr Ellwood: I hope the former Minister for Europe will join me in congratulating the two leaders, who are coming together this week. My right hon. Friend the Foreign Secretary is going to Geneva to try to push forward what will be monumental discussions to finally provide that important solution. I hope that then cases such as this will be able to be resolved much faster.

Colombia: Political Prisoners

3. **Kelvin Hopkins** (Luton North) (Lab): What reports he has received on the conditions in which political prisoners are held in Colombia; and if he will make a statement. [908032]

13. **Robert Flello** (Stoke-on-Trent South) (Lab): What reports he has received on the conditions in which political prisoners are held in Colombia; and if he will make a statement. [908042]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alok Sharma): We are concerned by reports about the detention of human rights defenders and activists in Colombia, often held without trial or access to legal representation. Our embassy in Bogota closely follows specific cases. The Prime Minister raised our concerns about threats to human rights defenders with President Santos during the state visit in November.

Kelvin Hopkins: I thank the Minister for his answer, but, following the amnesty law passed by the Colombian Congress on 28 December, will the Minister urge the Colombian Government to release all civil society prisoners, as agreed, as soon as possible?

Alok Sharma: We welcome the approval of the new amnesty Bill of course, and we believe it will lead to a benefit for all citizens and the wider region as part of the Colombian peace process. We look forward to all aspects of that law, particularly with regard to disarmament and reintegration.

Robert Flello: Happy new year, Mr Speaker.

The transition zones are an important, if not crucial, aspect of the peace agreement, yet we are hearing reports of work on living quarters not even having started, of food being so rotten that people are suffering from severe and possibly lethal food poisoning, and of the supply of water being very scarce. Given that the transition zones are where the FARC troops are supposed to be concentrated as an essential element of the peace agreement, will Her Majesty's Government please put absolute pressure on the Colombian authorities to ensure that the zones are properly completed?

Alok Sharma: We do of course raise these matters with the Colombian authorities on a regular basis. I take the point that the hon. Gentleman has made, and we will of course relay it back.

Glyn Davies (Montgomeryshire) (Con): The United Kingdom has supported the Colombian Government of Juan Manuel Santos throughout the difficult, recently concluded and very welcome peace process, and we have pledged our continuing support through the United Nations and the European Union. Will the Minister outline what specifically will be supported, and tell us whether the Colombian people and civil society will be included in the discussions on how the funds will be allocated?

Alok Sharma: My hon. Friend is right to suggest that 2016 was an historic year for Colombia. The peace deal with the FARC ended the longest conflict in the western hemisphere. He asks about the range of support that we are providing for the peace process. It includes a contribution of £7.5 million to the UN trust fund, with more than £2 million dedicated to de-mining.

Catherine West (Hornsey and Wood Green) (Lab): According to a report from the Institute for Development and Peace Studies in 2016, there is now a paramilitary presence in 31 of the 32 Colombian departments. Will the Minister make urgent representations to the Colombian

Government to ensure that the proliferation of paramilitaries and private armies is countered, and that the articles of the peace process are upheld?

Alok Sharma: I can confirm that we are concerned by reports of violence against human rights defenders, which has increased in 2016. Those attacks have increased in areas from which the FARC is withdrawing, which is disturbing. We will of course raise these matters with the Colombian Government, particularly the importance of security in conflict-affected areas.

Yemen

4. **Carolyn Harris** (Swansea East) (Lab): If he will review the UK's support for the Saudi-led coalition forces operating in Yemen. [908033]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Despite signing the partnership for peace agreement, the Houthis invaded the capital, Sana'a, placed Ministers under house arrest, took over ministerial buildings and committed extra-judicial killings. The Saudi-led military coalition was formed, following the legitimate request from President Hadi as set out in United Nations Security Council 2216. It is in this context that the UK supports the military intervention.

Carolyn Harris: At a time when millions in Yemen are facing starvation, it beggars belief that the Saudi coalition is routinely targeting airstrikes at cattle markets, dairy farms, food factories and other agriculture infrastructure. Can the Minister explain why the coalition is doing that, and why we are supporting it?

Mr Ellwood: We are not supporting them doing that, as the hon. Lady can no doubt imagine. We are working closely with the Saudi Arabians and the coalition to ensure that the protocols and standards that they are using in sustained warfare meet the international standards that we would expect, were we to be involved ourselves. Much of the information that comes from the battlefield is very unclear indeed, but we are enforcing transparency in a way that the Saudi Arabians and many other members of the coalition have never seen before.

Sir Nicholas Soames (Mid Sussex) (Con): Does my hon. Friend agree that, as the Saudi-led coalition intends to restore the legitimate Government in Yemen, it is clearly right and proper that we should support it?

Mr Ellwood: My right hon. Friend knows the region well and he is absolutely right. I want to make it clear, however, that the coalition has made errors. It has made mistakes. It has not endured sustained warfare in this manner before, and it is having to meet international standards as never before. It is having to provide reports when it makes mistakes, and it has never done that before. It has no experience of even writing reports. It wants to meet those standards and to work with the international community. We need to ensure that when errors are made, the coalition puts its hand up in the same way that we do and that the Americans did in Afghanistan only a few months ago.

Brendan O'Hara (Argyll and Bute) (SNP): Given that Saudi Arabia has finally admitted to using illegal cluster bombs in Yemen, what consequence or sanction is being planned by the UK Government against Saudi Arabia for that clear breach of international humanitarian law?

Mr Ellwood: If I may attempt to correct the hon. Gentleman, those cluster bombs are not illegal, because Saudi Arabia has not signed up to the convention on cluster munitions. Therefore it is in its right—indeed, any country's right—to use cluster munitions should it wish. As I mentioned earlier, I have encouraged Saudi Arabia to make sure not only that it has destroyed all the cluster munitions that we sold it in the past, but that it gets rid of its entire arsenal of cluster munitions and signs the convention.

Mrs Flick Drummond (Portsmouth South) (Con): Has the Minister talked to the Saudi coalition about dealing with the long-standing threat from al-Qaeda and the growing threat from Daesh in Yemen, which threatens not just the Gulf but our security at home?

Mr Ellwood: In all our discussions with the Saudi Arabians and other coalitions that are learning how to conduct necessary warfare to the standards that we expect, we sometimes gloss over the fact that the absence of a solution allows the incubation of extremism in the form of Daesh, which is now present in the peninsular, and al-Qaeda. Until very recently, the port of Mukalla was completely run by that extremist operation. From our security perspective, more terrorist attacks are plotted in the peninsular by al-Qaeda than by any of its wings. Yes, it is very important that we work with our coalition friends to ensure that we defeat extremism in Yemen.

Mr John Spellar (Warley) (Lab): May I endeavour to make a better case for Britain's policy on the Yemen tragedy than the Minister made in his earlier replies? Will he now make clear the value to our security and to our dynamic aerospace industry of our relationship with the Saudis and the Gulf states? Will he also make clear the concern of the UK and the international community at the expansionist and subversive activities of the Iranian regime?

Mr Ellwood: There is nothing in that question with which I would disagree. Saudi Arabia is an important ally in the region. Its security and the region's security is our security, too, but as the right hon. Gentleman also articulated, Saudi Arabia is unused to conducting such sustained warfare and it needs to learn. We are standing with Saudi Arabia to make sure it is learning lessons and to make sure that we work towards peace in Yemen, for all the reasons that we have discussed in the Chamber today.

West Bank: Illegal Settlements

5. **Paula Sherriff** (Dewsbury) (Lab): What recent discussions he has had with his counterpart in Israel on illegal settlements in the west bank. [908034]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): I spoke to the Israeli Prime Minister, Mr Netanyahu—he is also the Israeli Foreign

Minister—on 23 December and raised the subject of illegal settlements. I probably spoke for a large majority of Members when I said that I am a strong and passionate supporter of the state of Israel, but I also believe that the continued expansion of illegal settlements in the west bank is by no means conducive to peace.

Paula Sherriff: I thank the Secretary of State for his response. Will he further advise us on what assessment his Government have made of the Israeli Government's intent to comply with UN Security Council resolution 2334 on illegal Israeli settlements?

Boris Johnson: That is clearly a matter for the Israeli Government, but I repeat our position that we believe—this is a long-standing view of the UK Government—that settlements in the west bank are illegal, and that the 20% expansion we have seen in those settlements since 2009 is a threat to the peace process. That was why we resolved as we did. Of course, there has been a certain amount of argument about that and a certain amount of push back from the Israeli Government, but the hon. Lady will find that there is a wide measure of international support for that view, which in no way diminishes this Government's strong support for a Jewish homeland in Israel.

Crispin Blunt (Reigate) (Con): Is there anything in the substantial analysis presented by Secretary Kerry on 28 December, following the adoption of Security Council resolution 2334, with which the Foreign Secretary does not agree?

Boris Johnson: Let me repeat my point: John Kerry was completely right to draw attention to the illegal settlements and to the substance of resolution 2334. I remind the House that the UK was closely involved in its drafting, although of course it was an Egyptian-generated resolution. We supported it only because it contained new language pointing out the infamy of terrorism that Israel suffers every day, not least on Sunday, when there was an attack in Jerusalem. I was glad that the resolution identified that aspect of the crisis in the middle east, and John Kerry was absolutely right to point out the rounded nature of the resolution. May I pay tribute to John Kerry, who is shortly to step down as Secretary of State, for his tireless work for peace not just in Israel-Palestine, but across the wider middle east?

Hilary Benn (Leeds Central) (Lab): I welcome the Government's vote in favour of UN Security Council resolution 2334, not least because it stated that

“the cessation of all Israeli settlement activities is essential for salvaging the two-State solution”.

Following the Foreign Secretary's discussions in the past couple of days with members of the incoming Administration in the United States, does he think that that view is shared by President-elect Trump?

Boris Johnson: I think it is a widespread view in Washington, and across the UN Security Council, that settlements are illegal, which was why the resolution went through as it did, without any opposition. To answer the right hon. Gentleman's question directly, I think it is too early to say exactly what the Administration will decide on this matter, but he can rest assured that the British Government will continue to make the points

that we have, not because we are hostile to Israel—on the contrary—but because we wish to support the state of Israel.

Sir Hugo Swire (East Devon) (Con): Let me try to get this right: the British ambassador is summoned formally in Israel because of the way the UK voted at the UN Security Council; meanwhile, in the UK, an employee of the Israeli embassy is caught on film conspiring with a British civil servant to take down a senior Minister in the Foreign Secretary's Department, the Chairman of the Foreign Affairs Committee and other Members of this House; and the Israeli ambassador makes a couple of phone calls and all is forgiven and forgotten. Can the Foreign Secretary enlighten us on the thinking behind all this?

Boris Johnson: I certainly can enlighten the House, in the sense that, as my right hon. Friend points out, the Israeli ambassador made a very full apology for what had taken place and the diplomat in question no longer seems to be a functionary of the embassy in London. Whatever that person might exactly have been doing here, his cover can be said to have been well and truly blown, and I think we should consider the matter closed.

Several hon. Members *rose*—

Mr Speaker: Order. I am sorry, because these are very important matters, but I must say that progress is lamentably slow, so long questions will be cut off from now on, because there are people lower down the Order Paper who must be reached.

Alex Salmond (Gordon) (SNP): But if a UK embassy official had been caught on film in Tel Aviv talking about “taking down” an Israeli Government Minister, they would have been booted out of the country without any further ceremony, so why did that not happen to Mr Masot? If the Foreign Secretary showed even a teensy-weensy bit of resolve in such matters, perhaps Israeli diplomats would not talk about him in such disparaging terms.

Boris Johnson: The right hon. Gentleman seems, alas, to have been failing to pay attention to the salient point, which is that the Israeli diplomat in question is no longer doing his job in London—whatever his job is, he is no longer doing it in this city. The Israeli ambassador has made a full apology for the matter and I am happy to consider it closed.

Mrs Theresa Villiers (Chipping Barnet) (Con): Will the Secretary of State agree to meet me and colleagues to discuss our grave concerns about resolution 2334, which my constituents believe will make peace in the middle east harder to achieve by imposing a complex set of preconditions that the Palestinians will use to avoid serious engagement in negotiation?

Boris Johnson: I am very grateful for that question, and I am happy to offer exactly such a consultation with colleagues. I know that the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Bournemouth East (Mr Ellwood), has already undertaken to do just that.

Fabian Hamilton (Leeds North East) (Lab): I am sure that the whole House will join me in condemning the horrific attack on Israeli soldiers in Jerusalem on Sunday. We will never achieve a lasting peace in the middle east until the state of Israel, its soldiers and civilians are free from the threat of terror. Nor will we achieve that lasting peace until all sides accept a two-state solution and a viable Palestinian state can be built, free from illegal settlements. In his allegedly frank discussions with the incoming Trump Administration on Sunday, was the Foreign Secretary frank about those points, too? If so, what response did he receive?

Boris Johnson: The answer to the first question is yes, and the answer to the second is wait and see.

Mr Speaker: I call Virendra Sharma. Not here. Where is the feller? I am becoming accustomed to having to say this every day; it is very unsatisfactory.

Diplomatic Relations: UK/Germany

7. **William Wragg** (Hazel Grove) (Con): What recent assessment he has made of the strength of diplomatic relations between Germany and the UK. [908036]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): First, let me repeat the condolences that we have offered, and that I am sure that many Members will want to join me in offering, to the people of Germany for the terrible attack that they sustained on 19 December. We continue to work with our German counterparts to strengthen security. We have superb relations with Germany, and it is vital, both as we go through the Brexit process and beyond, that we deepen and intensify that friendship.

William Wragg: I associate myself with my right hon. Friend's expression of condolence to the people of Berlin. Given that Germany is a net exporter to the United Kingdom and would not want its economy to be affected through the imposition of tariffs, what extra work is being done to build diplomatic relations for the benefit of future reciprocal free trade between our two countries?

Boris Johnson: I am grateful for that question because, as my hon. Friend will know very well, a big operation is now going on. UK Trade & Investment and British diplomacy are pointing out the salient facts that German investment in this country is responsible for around 344,000 jobs here in the UK, and UK investment in Germany is responsible for 222,000 jobs. It would be the height of insanity to imperil either of those sets of investments.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Foreign Secretary speaks of our relationship with Germany as being very good and special. Is it not a fact that many leading Germans are concerned about Britain leaving the European Union and the impact that that will have on Europe's security, particularly in terms of our commitment to NATO, given the instability we see in Russia?

Boris Johnson: The hon. Gentleman asks an acute question. Of all the countries in the EU and the rest of Europe that care about our departure, I would say that it is certainly the Germans who have been most

psychologically and emotionally affected by the 23 June referendum result. That is why the question by my hon. Friend the Member for Hazel Grove (William Wragg) is so apposite and why engagement is vital.

On NATO and our joint defence, the hon. Gentleman should not forget that we contribute 25% of the EU's defence expenditure, and that will continue, because while we may be leaving the EU, we are not leaving Europe, and our commitment to Europe's defence is undiminished.

Gulf Co-operation Council

8. **Jo Churchill** (Bury St Edmunds) (Con): What recent assessment he has made of the strength of diplomatic and economic relations between countries of the Gulf Co-operation Council and the UK. [908037]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Thanks to our historical connections and our shared economic and other interests, which include foreign policy, defence, security, trade and culture, we have exceptionally strong relationships with the Gulf Co-operation Council nations. That was reflected in the warm reception that the Prime Minister received when she attended the GCC summit in November and established a new UK-GCC strategic partnership.

Jo Churchill: So does the Minister agree that Britain has a unique competitive advantage in securing a free trade agreement with the GCC due to those desired sectors and our long-standing friendship, as well as the GCC's desire for economic diversification?

Mr Ellwood: My hon. Friend is absolutely right. One reason why the Chancellor was visiting the region only a couple of weeks ago was to enforce those exact points. I am sure that once the Brexit discussions have moved forward, one of the first areas with which we will consolidate a trade agreement will be the GCC nations.

Chris Evans (Islwyn) (Lab/Co-op): In December, the Foreign Secretary accused Saudi Arabia of "playing proxy wars" and destabilising the region. Soon afterwards, a spokesman for the Prime Minister said that that was not the Government's view. Whose view was the Foreign Secretary expressing?

Mr Ellwood: Let me expand that out further to our relationship with the GCC nations. As I said earlier, those countries are advancing, but they are still very new. Saudi Arabia became an independent country in modern terms only in 1932. It is because of our close relationship with those countries in a wide variety of sectors and the trust that we have in them that we are encouraging them to advance in their governance systems.

Alistair Burt (North East Bedfordshire) (Con): The diplomatic stature of the GCC has risen significantly in recent years, not least because of the wise guidance of the GCC Secretary-General, Abdullatif al-Zayani, who is a friend of the Minister and of mine. In view of the impasse in the middle east peace process and the GCC's relationship with the Arab states and Israel, does he believe that the time is now right for the GCC and the Arab states to take some initiative to move the middle east peace process forward?

Mr Ellwood: I know that that is close to my right hon. Friend's heart, and that he worked very hard on it when he was Minister for the middle east. He is absolutely right that, as the GCC grows in its prowess, strength and authority, it has an important role to play in what is arguably one of the longest-running concerns, which started with the occupation of the occupied territories more than 50 years ago. In the year that we mark the Balfour declaration, I hope that we will also make progress in this area.

Graham Jones (Hyndburn) (Lab): Is not one of the biggest challenges facing the GCC countries the conflict in Yemen, where they have in excess of 100,000 troops? They are up against a rebel group that has been involved in extra-judicial killings, that is trying to overthrow the country, and that is involved in torture. The Library briefing notes put the number of child soldiers in the rebel group at 30%. Is that not a disgrace? Is it not the biggest challenge facing the GCC countries, and should we not be supporting them?

Mr Ellwood: I agree that it is one of the biggest challenges for the GCC. We forget that this is its neighbourhood—its backyard. Those countries want regional security in the same way that we do—we want it near where we live, work and want to raise families. Exactly the same applies to the GCC nations, and it is something that I will explore more in the debate on Thursday.

Exiting the EU: Diplomatic Relations

9. **Emma Reynolds (Wolverhampton North East) (Lab):** What recent discussions he has had with his EU counterparts on diplomatic relations after the UK exits the EU. [908038]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): We have regular consultations about the future shape of our diplomatic relations with the rest of the EU. The hon. Lady should understand that we may be leaving the EU treaties, but we are not leaving Europe. There will be plenty of ways in which we will continue to collaborate on all the issues that are vital to us, whether in the EU or out.

Emma Reynolds: I welcome that answer. Free movement is a key issue in discussions with our EU counterparts. Have the Government therefore considered that in order to get the best possible access to the European single market, we should propose a managed migration system that still gives preference to EU workers, welcoming those with high skills, but limiting the numbers of low and semi-skilled workers coming here to work?

Boris Johnson: I hope that the hon. Lady will forgive me if I say that that would come under the category of our giving a running commentary on our negotiating position. We cannot do that—[*Interruption.*] The hon. Member for Islington South and Finsbury (Emily Thornberry) says that Brexit means Brexit, and she is perfectly right.

Mr Speaker: I call a Kentish knight, Sir Julian Brazier.

Sir Julian Brazier (Canterbury) (Con): Thank you very much, Mr Speaker.

Given the trade ties that my right hon. Friend has already mentioned and the fact that we are Europe's largest defence contributor, does he agree that we should not have to make deals on immigration and free movement to secure a good trade agreement with our allies and friends in Europe?

Boris Johnson: May I begin by congratulating my hon. Friend on his well-deserved knighthood in the new year's honours list? He speaks very good sense. I think that I can agree with him completely without in any way being convicted of giving a running commentary on our negotiations, so I thank him very much.

Chris Leslie (Nottingham East) (Lab/Co-op): Never mind a running commentary, has the Foreign Secretary given any commentary at all to his own officials, such as Sir Ivan Rogers, who left the service saying that he had not been given any sense of the Government's negotiating objectives? Will the Secretary of State perhaps speak to Sir Tim Barrow and give him a clue about what the Government intend to do?

Boris Johnson: If the hon. Gentleman consults the speeches of the Prime Minister more closely, he will discover a wealth of information about our negotiating position, but since he has not bothered to do that, I do not propose to enlighten him now, except to say that Sir Ivan Rogers did an excellent job and always gave me very good advice. I think his reasons for stepping down early were persuasive. Sir Tim Barrow, as anybody who has worked with him will know—I think that people on both sides of the House will have done so—is an outstanding public servant with long-standing experience of UK representation in Brussels, and he will do a superb job in the forthcoming talks.

Richard Benyon (Newbury) (Con): I am sure my right hon. Friend will agree that not only are diplomatic relations important, but relationships between Members of this House and European partners have been important. Membership of the Council of Europe, of the NATO Parliamentary Assembly and of all-party groups has never been more important, so can he give an assurance that his Department will assist in every way in making sure that bilateral relationships that exist between Members of this House and Europe will be encouraged?

Boris Johnson: Absolutely—I am very happy to give that assurance to my hon. Friend. As he will know, there are parliamentary bodies of one party or another that have links with sister parties across the continent, and we will do absolutely everything we can to promote that in the years ahead.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): On behalf of Labour Members, may I pay tribute to the long and distinguished career of Sir Ivan Rogers? He served successive Governments with great distinction, and most of the Secretary of State's predecessors had the good sense to appreciate it; it is a pity that he could not do so until just now when my hon. Friend the Member for Nottingham East (Chris Leslie) managed to press him. In his resignation letter, Sir Ivan said:

“Contrary to the beliefs of some, free trade does not just happen”.

Can the Secretary of State explain who Sir Ivan had in mind?

Boris Johnson: I have given my views about Sir Ivan, but I am happy to repeat them: I think he is, as the hon. Gentleman said, an outstanding public servant, and he always gave me very frank advice. It is vital for officials to continue to give their round, unvarnished views of matters such as the ease of negotiating free trade deals. It is not necessarily going to be simple, but there is no reason to think it cannot be done speedily, and no reason to think we cannot have fantastic free trade deals, not least with the United States of America.

Middle East Peace Talks

10. **Mrs Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): What steps he is taking to promote the resumption of peace talks between Israel and the Palestinian Authority. [908039]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): We are using every forum at our disposal to try to encourage both sides to get to the negotiating table. It is deeply frustrating. I join hon. Members on both sides of the House who have condemned the appalling attack on—the murder of—four Israeli soldiers at the weekend. All I can do is repeat what we have said: the only way forward has to be a two-state solution, and that is why it was important to restate the Government's position in resolution 2334.

Mrs Ellman: The General Secretary of the UN has warned about Iran's activities in arming Hezbollah in Lebanon through its base in Syria. What can the Foreign Secretary do to combat this growing menace to the prospects of any peace in the region?

Boris Johnson: It is very important to recognise that Iran is a malign influence across the region, and we must be very vigilant about what it is doing. On the other hand, we have to engage with Iran. I think the JCPOA—joint comprehensive plan of action—does represent, still, a substantial and valid way forward, and it would be regrettable if we were to junk that process now.

22. [908052] **John Howell** (Henley) (Con): In looking at the steps to promote peace talks, what effect does the Foreign Secretary think the current level of Palestinian violence is going to have on that process?

Boris Johnson: As my hon. Friend will know, the level of violence, as we have discussed, has been down by comparison with 2015, but it is still too high. I think it was important, therefore, that the resolution, which has been so much discussed this morning, had that balance in it and that language in it pointing out the threat that Israel faces. It is important that we stress that, and that we encourage the Palestinians to understand that there can be no hope of peace unless they get their extremists under control.

Tom Brake (Carshalton and Wallington) (LD): I am pleased that the Foreign Secretary is using every forum to bring peace. Will he, therefore, be attending the Paris conference, and what new initiative will the UK Government be putting forward there?

Boris Johnson: I can certainly assure the right hon. Gentleman that the UK Government will be attending the Paris talks and we will be reinforcing our message, which is that we think that both sides must get round the table and negotiate. That is the only way forward. It would be folly now to abandon a two-state solution, because, in the end, a one-state solution is not in the interests of Israel.

Middle East (Persecution of Christians)

11. **Kevin Foster** (Torbay) (Con): What recent reports he has received on the persecution of Christians in the middle east. [908040]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): The Government regularly receive reports of sectarian attacks on Christian and other religious communities in the middle east. We want to work with all Governments across the middle east and north Africa to ensure that freedom of religion or belief is respected.

Kevin Foster: Although the genocide of Christians in the areas ruled by Daesh has rightly taken the most attention, my hon. Friend will be only too aware that the persecution of Christians across the region is way too common. Will he join me, therefore, in welcoming the work done by Open Doors to highlight that, and what plans does he have to consider its latest report, which is due to be launched in the House tomorrow?

Mr Ellwood: May I briefly say that I very much welcome the work that is done by organisations such as Open Doors, and the work that my hon. Friend has done to promote them? I look forward to reading the report, which I think is due out tomorrow. Open Doors makes a major contribution to that work and the Government's thinking to try to support Christians and other religious communities in the middle east and north Africa.

Danny Kinahan (South Antrim) (UUP): Given all these crimes against Christians in the middle east, will the Government ensure that we do everything we can to make sure that this is recognised as genocide in the international courts?

Mr Ellwood: I have said in this House that I personally believe that acts of genocide have taken place, but it is not my view that counts; it is whether we can legally prove that. As we have debated here before, it is important that we collect the evidence. I am sure that the House will be delighted to know—it has been confirmed already—that the Foreign Secretary joined other countries, including Iraq, at the United Nations General Assembly to launch the work to be done to collect the evidence to make sure that we can hold those who have conducted these horrific activities to account.

Mr Speaker: I could not be more grateful to the Minister.

Anglo-American Discussions

12. **Henry Smith** (Crawley) (Con): What recent discussions the Government have had with the incoming US administration. [908041]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): I have come back this morning from the United States, where I have been discussing these matters with the incoming Administration. It was clear that there is a wide measure of agreement between us over the challenges we face. I assure the House that our embassy in Washington and the Prime Minister's office—No. 10—and officials at all levels are engaging with the incoming team to make sure that we work in lock step to build on those areas of agreement.

Henry Smith: In addition to talks with the incoming US Administration, what talks, specifically with regard to security and trade, did my right hon. Friend have with congressional leaders?

Boris Johnson: I have to say to the House that there was a huge fund of goodwill for the United Kingdom on Capitol Hill, and a very large measure of understanding that now is the time to do a free trade deal. They want to do it, and they want to do it fast. That understanding was most vivid and most urgent on the part of the incoming Administration.

Topical Questions

Mr Speaker: I call Mr Virendra Sharma. Has the feller now manifested himself? No, sadly not. Never mind. He is not here, but Rebecca Pow is.

T2. [908021] **Rebecca Pow** (Taunton Deane) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): My priorities for 2017 are to renew our efforts to address the crisis in the middle east; to work towards securing the best deal for Britain in the negotiations with our European partners that will be begun by the triggering of article 50; and to build an even stronger working relationship with the US Administration. As I have said, I have just returned from furthering that ambition in the US. As this is the last FCO questions before the end of the Obama Administration, let me repeat formally my thanks to John Kerry for his tireless dedication.

Rebecca Pow: Illegal trading in wildlife is now the fourth most lucrative transnational crime, and it has a hugely destabilising effect on habitats and on many communities. On that note, will the Secretary of State tell me what his Department is doing to help to combat the poaching and illegal ivory trading in Africa?

Boris Johnson: This Government have made it clear that combating the illegal wildlife trade is one of our priorities. We have a dedicated illegal wildlife trade team in London, working with my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs. As my hon. Friend will know, the Secretary of State recently came back from a highly successful conference in Hanoi on the ivory trade. We are supporting—*[Interruption.]* With our funds, we are supporting—*[Interruption.]* Let me tell the hon. Member for Islington South and Finsbury (Emily Thornberry), who mocks the elephants, that the number of elephants is diminishing by 8% every year. Thanks to the efforts of this Government,

that issue is being raised up the international agenda again. We are spending considerable sums of money to support those who are combating the poachers.

Mr Speaker: All questions and answers from now on need to be extremely brief, irrespective of how distinguished those who put the questions are or judge themselves to be. I call Mr Alex Salmond.

Alex Salmond (Gordon) (SNP): When the right hon. Gentleman was a columnist, he was supportive of some aspects of President Putin's policies. When he became Foreign Secretary, he became vehemently hostile to Russian policy. After his visit to New York, we are told he is pursuing a twin-track policy, which means that we will be supportive and hostile at the same time. At what time during his visit to Trump Tower did he decide that duplicity was the best policy?

Boris Johnson: I really must ask the right hon. Gentleman to go back and look at what I said previously. I have never been supportive of the policies of President Putin in Syria. Quite frankly, I do think it is important to understand that Russia is doing many bad things—if we look at what they have done on cyber-warfare and what they are doing in the western Balkans, there is no doubt that they are up to no good—but it is also important for us to recognise, and I think he will find that this is exactly what I said a few years ago, that there may be areas where we can work together, and that is what we should do.

T3. [908022] **Lucy Frazer** (South East Cambridgeshire) (Con): Does my right hon. Friend agree that until the divisions between the Sunnis and the Shi'as are reconciled, there will not be full regional peace, security and prosperity in the region? What role can Britain play in that process?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): My hon. and learned Friend asks a very fundamental question, because in a sense there is a cold war feel to the relationship between the Sunnis and the Shi'ites, yet the doctrinal difference is actually almost insignificant. Both agree on the absolute centrality of the Prophet Muhammad, but the big issue is about the succession—whether the successor was Ali, the cousin and son-in-law, or Abu Bakr, the father-in-law. She is absolutely right that if the two sides can be reconciled, prosperity and security will improve, and I hope Britain can have a role to play. *[Interruption.]*

Mr Speaker: As I have just been advised by our most esteemed procedural expert in the House, we do not need a lecture in each of these cases. We need a pithy question and a pithy reply.

Liz McInnes (Heywood and Middleton) (Lab): On Sunday, the Foreign Secretary met Steve Bannon, Donald Trump's chief strategist, a man whose website is synonymous with anti-Semitism, racism, misogyny, homophobia, the hero worship of Vladimir Putin and the promotion of extremist far-right movements across the world. May I ask the Foreign Secretary how he and Mr Bannon got on?

Boris Johnson: I do not wish to embarrass any member of the incoming Administration by describing the friendliness or otherwise of our relations. What I can say is that the conversations were genuinely extremely productive. There is a wide measure of agreement between the UK and the incoming Administration about the way forward, and we intend to work to build on those areas of agreement.

T5. [908024] **Victoria Atkins** (Louth and Horncastle) (Con): When the Russian air force skirts along British airspace, Royal Air Force pilots fly Typhoons from my constituency to see them off. Does my right hon. Friend believe that our economic sanctions against Russia are hitting the targets just as effectively as our RAF pilots are?

Boris Johnson: I am grateful for that question because it is important for the House to keep in mind the importance of the sanctions. The support for sanctions against Russia—for instance, over Ukraine—is not as strong as it should be in other parts of the European Union, and the UK is in the lead in keeping the pressure on.

T4. [908023] **Mr Douglas Carswell** (Clacton) (UKIP): Following the Foreign Secretary's trip to America, how confident is he that we might have a US-UK free trade agreement on the table within the next couple of years? Does he believe there is an appetite for it to be based on mutual standard recognition, rather than on single standard imposition?

Boris Johnson: The short answer is that my enthusiasm is nothing compared with the enthusiasm of our friends on the other side of the Atlantic. We will get a good deal, but it has to be a good deal for the UK as well.

T7. [908026] **Robert Courts** (Witney) (Con): Will the Minister please tell me what Britain is doing to ensure that the lessons of the past are learnt, and that proper stabilisation and reconstruction planning is in place for Mosul once that city is liberated?

Mr Ellwood: My hon. Friend is absolutely right. We did not learn the lessons, or the lessons were not learnt, in 2013 when there was a failure to listen to the moderate Sunni voices. That is what allowed Daesh to develop. Extremism is flourishing across north-east Africa and, indeed, the middle east, and will do so unless we engage with those moderates to ensure that they are brought to the table. That is why planning in places such as Mosul and Aleppo needs to be done at once, before the guns fall silent.

T6. [908025] **Mr Alistair Carmichael** (Orkney and Shetland) (LD): When the Foreign Secretary met the President-elect's team, did he make it clear to them that the United Kingdom will not share intelligence with his Administration if his Administration is then to use it in association with a revived US torture programme?

Boris Johnson: I am sure the House will forgive me if I remind the right hon. Gentleman that we do not discuss intelligence matters or their operational nature.

Sir Eric Pickles (Brentwood and Ongar) (Con): Does my right hon. Friend share my disappointment that the Palestinian authorities did not issue a prompt condemnation of the murder of Israeli soldiers over the weekend? Does he believe that the Palestinian Authority's glorification of violence, refusal to recognise Israel and refusal to meet face to face is one of the major obstacles to a two-state solution?

Boris Johnson: I am very grateful to my right hon. Friend for that point because it is absolutely true. Yes, resolution 2334 has been characterised as a settlements resolution. As I have explained to the House, it also contains some valuable language about terrorism. But there can be no lasting solution for that part of the world unless there is better leadership of the Palestinians and unless they renounce terror.

T8. [908027] **Anne McLaughlin** (Glasgow North East) (SNP): Next week a new President is due to be sworn in, but the current President is refusing, point blank, to budge. The people of Gambia have voted to end 22 years of civil liberties and human rights abuses at the hands of President Jammeh. Will the Minister join his counterparts across the world in condemning this and telling President Jammeh that he has eight days to get out of office?

Mr Ellwood: Not in so many words, but I have had the opportunity to congratulate President-elect Barrow. I believe absolutely that the previous President, who has been there since 1994, should recognise the will of the Gambian people and step down.

Sir Simon Burns (Chelmsford) (Con): May I ask the Foreign Secretary what agreement there will be on policy towards Russia between the British Government and the new US Administration, given the new Administration's indebtedness to President Putin through the leaking and hacking of emails of the Democratic National Committee and Hillary Clinton's campaign chairman?

Boris Johnson: I make no comment on the electoral efficacy of the hacking of the DNC emails, except to say that it is pretty clear that it did come from the Russians. The point that we have made to the incoming Administration, and indeed on Capitol Hill, is just this: as I said earlier, we do think that the Russian state—the Putin Kremlin—is up to all sorts of very dirty tricks, such as cyber-warfare, but it would be folly for us further to demonise Russia or to push Russia into a corner, so a twin-track strategy of engagement and vigilance is what is required.

Mike Gapes (Ilford South) (Lab/Co-op): The Foreign Secretary referred to the middle east process. Secretaries of State Clinton and Kerry failed in their efforts to get a bilateral agreement between Palestinians and Israelis. Is it not now time to go to the international sphere, in the sense of the Arab initiative originally introduced by Saudi Arabia in 2002?

Boris Johnson: The only way forward is for both sides to get to the negotiating table and recognise that a two-state solution is the way forward.

Dr Julian Lewis (New Forest East) (Con): Does the Foreign Secretary share the concern on both sides of the House at President Erdogan's latest power grab, following the retrograde steps he has already taken to Islamise a formerly secular Turkish society?

Boris Johnson: It is very important to recognise that the Turkish state—the Turkish Government—was the victim of a violent attempted coup in which hundreds of people died. It was entirely wrong of many Governments in the EU instantly to condemn Turkey for its response rather than to see that, again, there is a balance to be struck. Turkey is vital for our collective security; the last thing we need to do is to push it away and push it into a corner.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Last month, a UK Government spokesperson told Sky News that the Government are

“aware of reports of an alleged airstrike on a school” in Yemen

“using UK-supplied weapons and are seeking further information regarding the incident.”

Can the Minister update us today on progress on that?

Mr Ellwood: I know the hon. Lady follows these events very closely. I do not know the details of that particular Sky report—I have not seen it. I am very happy to meet her outside the Chamber to discuss it. I can give her a reply in due course, or I can give her a public reply in the now much-vaunted and much-publicised debate we are having on Yemen on Thursday.

Mr Alan Mak (Havant) (Con): Since 1953, the Foreign Office has supported Marshall scholarships to help young Americans to study in the UK. Will my right hon. Friend continue to support this increasingly important aspect of the special relationship?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alok Sharma): The Government, of course, support the Marshall scholarship programme. It is another example of Britain's soft power, and I am delighted to say that we have made additional funding available to enable 40 scholars to study at UK universities from September this year.

Kate Hoey (Vauxhall) (Lab): The Foreign Secretary and Ministers will be aware of the deteriorating situation in Zimbabwe, economically and politically. What role can the British Government play over the next six months or so, which will be crucial to the people of Zimbabwe?

Mr Ellwood: The hon. Lady knows the country very well indeed. Obviously, our relationship has been strained because of the current leadership. She speaks about six months, and who knows what will happen in those six months, but we are working closely with the neighbouring countries to provide the necessary support for the people, who are suffering more than ever before under the current President's regime.

Charlotte Leslie (Bristol North West) (Con): Does the Foreign Secretary agree that improving trust and intelligence sharing with Egypt is vital to our security

efforts in Libya? Given that we have heard no security concerns over the Sharm el-Sheikh airport, does he agree that resuming flights there would be a good place to start and would have important security dividends for UK citizens here?

Boris Johnson: It is, of course, true that the loss of UK tourist business to Egypt has been very severe, and we are working hard with our Egyptian counterparts to get the reassurances that we need to restore those flights, which we all want to happen.

Helen Goodman (Bishop Auckland) (Lab): Earlier this morning, the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood), said that the Government only support UN Security Council resolutions when they know they can be enforced. So, if the Israelis continue with the settlement programme, what steps will the Foreign Secretary take to enforce resolution 2334?

Boris Johnson: The hon. Lady will know very well that we are working with our international counterparts to persuade both sides to get to the table, to persuade the Palestinians to drop their violence and recognise the existence of the state of Israel and show some leadership, and to persuade both sides to understand that a two-state solution is the only way forward. I believe that that is the best thing for the Government to do.

Oliver Dowden (Hertsmere) (Con): Many of my constituents are concerned that the recent UN vote marks a change in the British Government's stance towards Israel. Will the Foreign Secretary confirm that that is not the case, and that we remain steadfast allies of that beacon of liberalism and democracy in the middle east?

Boris Johnson: As is well known, the state of Israel is just about the only democracy in that part of the world. It is a free and liberal society, unlike many others in the region. I passionately support the state of Israel. It was very important that, in resolution 2334, the UK Government not only stuck by 30-year-old UK policy in respect of settlements, but underscored our horror of violence against the people of Israel.

Mr David Winnick (Walsall North) (Lab): Just as a matter of interest—perhaps others are not so interested—does the Foreign Secretary find that his counterparts are somewhat surprised to find a genuine British eccentric holding the position he holds?

Boris Johnson: I honestly cannot speak for the response of my counterparts. The hon. Gentleman can take this in whichever way he chooses, but all I can say is that there was a wide measure of agreement on both sides of the table on some of the problems that our societies face in America and UK, on the need for some fresh thinking, and on the huge potential of the UK and the US to work together to solve those problems.

Mr Speaker: I very much doubt that the proposition that the Foreign Secretary is an exotic individual would be subject to a Division of the House.

Kirsten Oswald (East Renfrewshire) (SNP): The Foreign Secretary will be aware of my constituent Billy Irving, who is wrongly imprisoned in India. As we await yet another judgment, what are the Foreign Secretary's plans to get Billy and his colleagues home whatever the outcome? Will the Foreign Secretary reassure us and them that that remains his priority, and that it will not be derailed by his Government's Brexit bedlam?

Alok Sharma: Our heart goes out to Billy Irving's family and all those involved. I raised this matter with the Minister of External Affairs and the Indian Foreign Secretary when I visited India in October. My right hon. Friend the Prime Minister also raised it with Prime Minister Modi. We are pressing for speedy due process to take place. As the hon. Lady knows, we await the outcome of the appeal process.

Anna Soubry (Broxtowe) (Con): My right hon. Friend was an outstanding Mayor of London. During his time, he was the first to champion the City of London and a believer of the value of the single market. Will he assure us that, in his meetings with the incoming Trump Administration, he disabused Wilbur Ross, the incoming Commerce Secretary, of his view that Brexit is a God-given opportunity for London's commercial rivals to take business from the City?

Boris Johnson: My right hon. Friend will find that the City of London has been through all sorts of vicissitudes that people prophesied would lead to its extinction. I remember people making exactly the same arguments about the creation of the single currency and about the economic crash in 2008, and the City of London has gone from strength to strength. Canary Wharf alone is now a bigger financial centre than the whole of Frankfurt. By the way, that opinion was shared completely by our friends and counterparts in Washington. I have no doubt that the commercial and financial dominance of the City of London in this hemisphere will continue.

Christian Matheson (City of Chester) (Lab): Further to the question of the hon. Member for East Renfrewshire (Kirsten Oswald), my constituent Ray Tindall and the other men of the Chennai Six, who are in prison for a crime they did not commit, will be looking for a little bit more than thumb-twiddling and warm words. Does the Minister have any concrete proposals to get those innocent men home within the next six months?

Alok Sharma: As I have said, we take this matter incredibly seriously. We have raised it on a number of occasions and will continue to do so. We cannot seek to interfere in the legal process of another country, but let me assure the hon. Gentleman that we are doing absolutely everything we can to urge a speedy process and to make sure the men get help in prison.

Mr Speaker: Finally, a cerebral and immensely patient Member of the House who is unfailingly courteous at all times, Jeremy Lefroy.

Jeremy Lefroy (Stafford) (Con): Thank you, Mr Speaker. What support are Her Majesty's Government giving to the welcome moves towards a settlement in the Democratic Republic of the Congo?

Mr Ellwood: I had the pleasure of visiting the country last year. I was very concerned about the delay to the elections, of which my hon. Friend will be aware, and President Kabila not recognising that his time was up. I am pleased that political dialogue has now been developed between the Government and the Opposition, and that we are now on a programme to ensure elections happen in 2017. I will return to the country very soon to make sure that is enforced, and to offer our support and assistance to this important country.

Several hon. Members *rose*—

Mr Speaker: I am sorry to disappoint remaining colleagues. This Question Time session probably enjoys a greater demand than any other, but I am afraid supply is finite.

Mr Ellwood: Two hours!

Mr Speaker: Two hours, the Minister chunters from a sedentary position. I certainly would not object to that. He is a member of the Executive. If the Government want to table such a proposition, I think there might be very substantial support for it. I try to expand the envelope, but there are limits: if we do not have a longer session people will have to be briefer in questions and answers.

We now come to the urgent question. I call John McDonnell.

John McDonnell (Hayes and Harlington) (Lab): I'd support the two hours, Mr Speaker.

HMRC Estate

12.46 pm

John McDonnell (Hayes and Harlington) (Lab) (*Urgent Question*): To ask the Chancellor of the Exchequer to make a statement on the National Audit Office report, published today, on the Government's management of the HMRC Estate.

The Financial Secretary to the Treasury (Jane Ellison): HMRC's transformation plans will allow it to become a more efficient and effective tax collector fit for the digital age. HMRC's large estate is ageing and not delivering the best value for money for the taxpayer. The NAO has confirmed that savings of £80 million per year will be made by 2025.

The size of HMRC's estate has been reducing since 2006, and the NAO report published today shows that HMRC has made some effective changes since 2010, while reducing staff numbers by a quarter and saving the taxpayer over £350 million pounds. However, HMRC wants to keep up the momentum to provide a better service at a reduced cost. As it announced in 2015, that means taking forward big reforms of how the estate works, which will see over 170 small offices consolidated into 13 larger regional offices, an approach which is used across government. This brings with it a whole range of advantages, from efficiently sharing resources and quality digital infrastructure to better support and career opportunities for the staff who can more effectively share expertise. For the public, what this really means is a better, more modern service run by fewer staff costing about £80 million a year less by the time the changes take effect.

The report out today suggests that the costs of bringing about this transformation are likely to be higher than was first forecast. Of course, certain aspects of the programme could not be definitively made at the start. There is a wide range of factors behind that, from rising property costs and changes to the programme, for example to help staff to adjust and to ensure a smooth transition for customers, so the programme costs are of course updated to reflect that. I therefore thank the NAO for its timely report.

The strategy to modernise the service that HMRC provides to taxpayers is the right approach and reflects the way taxpayers now interact with it. It is a plan to say goodbye to the days of the manual processing of tasks that can be done more easily with today's technology. In short, we remain fully committed to taking forward the changes to the HMRC estate that will help us to bring a better tax service for the people of this country.

John McDonnell: In reality, the report is damning of the Government's plans to close 170 offices. We on the Opposition Benches have warned consistently that the Government's proposals will have a detrimental impact on HMRC's ability to provide advice and to tackle tax evasion and tax avoidance.

The NAO report confirms our fears. First, it called the original office closure plan unrealistic. The estimates of the costs of the move increased by 22%, which is £600 million extra. It forecasts a further 5,000 job losses and finds that the costs of redundancy and travel have tripled from £17 million to £54 million. It also says that

HMRC cannot demonstrate how its services can be improved and has not even produced a clear programme business case for the planned closures.

As we predicted, this is an emerging disaster. Even the Government now accept that there is a tax gap of at least £36 billion, yet these plans will do nothing but hinder the effort to tackle tax evasion and avoidance. Some 73% of the staff surveyed said that the plans would undermine their ability to provide tax collection services, while 50% said they would actually undermine their ability to clamp down on tax evasion and avoidance. Will the Minister now call a halt to the planned office closures, end the job cuts at HMRC and come back with a realistic plan to resource HMRC fully in its vital tax collection role?

Jane Ellison: The shadow Chancellor is right that HMRC's tax collection role is vital. At the heart of many of the changes made since the original estimates and planning for this part of the transformation are measures to better support staff and put more things in place to support their move. It is interesting that he makes no mention of the potential benefit to staff of the move. Of course, some will not be able to make the move, but the vast majority will live within an hour's journey and will be supported, including through the one-to-one conversations which happen with staff ahead of any move.

The shadow Chancellor's comments do not accurately represent what the NAO said. It has actually recognised that HMRC's move to regional centres is central to its strategic aim to increase tax revenue, improve customer service and make cost savings. The move to regional centres has never been just about cost savings or buildings; it is partly about how people work in those buildings. Ultimately, we will have an opportunity to change how we work. In 1982, my first job after leaving school was in an old tax office. Some of those offices are over 100 years old and some have not changed since I was working in one as a school leaver. It is absolutely right that we commit to making sure that staff can work in a modern environment.

All staff will be offered the chance to move, and for those who cannot, there will be one-to-one, bespoke support, and some of them will go to other Departments, so some of the comments we have heard are absolute nonsense. [*Interruption.*] There is a lot of chuntering from the Opposition Front-Bench team, but they are not listening to the facts and they have not read what the NAO actually said. This is a major programme, and it is right that the overall costs be periodically reviewed, but HMRC is not looking to make any significant changes to its overall strategy. We want its staff to work closer together in regional centres and specialist sites in a modern, flexible and high-quality working space.

Lastly, on tackling tax evasion and the tax gap, no Government have done more than this one. It is absolute nonsense to say that HMRC's capacity to tackle those two issues is diminished; far from it—the UK's tax gap is one of the smallest in the world and at its lowest ever level. In the summer Budget, we gave HMRC an extra £800 million to tackle tax evasion, and it has done that extremely well, such that once again we have reached record levels of compliance with regards to money from anti-tax evasion measures. I therefore rebut entirely the shadow Chancellor's points in that regard.

Sir Nicholas Soames (Mid Sussex) (Con): Will my hon. Friend take it from me that in my experience dealing with constituents and corporations in my constituency who have made inquiries to HMRC, its response times and how it handles cases have improved immensely over the past few years, and that in respect of its seeking to deal with tax evasion and avoidance, there is absolutely no doubt that it has raised its game considerably?

Jane Ellison: I thank my right hon. Friend for his comments, and I am glad that he has put on the record his appreciation for staff. He is absolutely right. In the past six months, call waiting times have averaged less than five minutes and customer service has improved to the best levels in years. This is something that HMRC management keep under constant review. It is absolutely right that we seek to provide the best service possible, but we cannot do that in un-modernised offices. For example, we must recognise that investing in the most up-to-date digital infrastructure is unrealistic across an estate of more than 150 offices. We need to bring people together in an environment that is fit for the future both for staff and customers.

Stewart Hosie (Dundee East) (SNP): The NAO has actually said that “HMRC’s original plan has proved unrealistic”, that “suitable property will not be available...within the time frame set out”, that “HMRC now estimates it may lose up to 5,000 staff”, which will require recruitment while it simultaneously carries out redundancies, and that the plans were “over-optimistic...and carried too high a risk of disruption”.

These are very similar warnings to those expressed in respect of the outturn failings in 2009 of the strategic transfer of the estate to the private sector—STEPS—programme. Given how clear and stark the warnings are, would it not make more sense to pause this, rip it up and start again?

Jane Ellison: No, that is not right; I cannot agree with the hon. Gentleman. The factors driving the programme—the reasons we want to transform HMRC into the most modern and digital tax authority in the world—all still stand. We have always been open about the fact that this is an ambitious transformation, and as with any major programme, a number of which are running at the same time, it is right that it be looked at regularly. Of course HMRC will respond in detail to the NAO report, but the principle driving the plan stands good, for all the reasons I have talked about—it is better for customers, better for staff and better for the taxpayer.

The hon. Gentleman mentioned the STEPS programme, but the NAO report noted how much better HMRC had been managing it. There were problems with the programme, which was initiated under the last Labour Government, but the report compliments HMRC on the way it is managing it and got some of the private finance initiative costs under control, and so on. It is right that we constantly re-evaluate programmes of this importance, but I do not agree with the thrust of his question. It is also worth noting that while Scotland

accounts for 8% of the UK’s population, 12% of the HMRC workforce will remain there, so Scotland remains a very important part of the HMRC estate.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): It is good to hear the Minister make the point that the telephone answering is improving. On the Public Accounts Committee, we have been looking at this on an ongoing basis, and we have probably had more information on it from MPs across the House than on any other issue. We support the programme, but with the digital world moving forward will the Minister set out how we will make sure that the staff on the end of the phone have the right qualifications to support businesses and individuals who need information?

Jane Ellison: I thank my hon. Friend for her comments. Given her membership of the PAC, it is important and nice to have them on the record. Much work has gone into improving customer service levels. At the moment, they are very good and improving and remain a key focus. She made a point about supporting staff with training and so on. That will be much easier in regional centres. For example, at the moment we have a large number of offices, and owing to the nature of the tasks being undertaken and the number of people working in them, it is not possible to provide easy and effective training programmes or to plan career progression in the way it is when a large number of people are concentrated together. As is reflected across both Government and the private sector, we can do a lot more for people when we can concentrate a different range of skills so that people have a chance to plot a career within the same office. That goes to the heart of how we intend to improve the service to customers.

Chris Bryant (Rhondda) (Lab): The trouble with all this talk of regional centres is that this is exactly what has happened in every other Department. In constituencies such as mine and across the whole of the south Wales valleys, it feels as if the Government have just said, “No, we’re not interested. Everything’s going to Cardiff. Forget about it.” May I urge the Minister to think again? The Treasury and the whole of Government have a social responsibility, particularly to areas such as Rhondda and the valleys, to ensure they have a local presence.

Jane Ellison: I cannot agree with the hon. Gentleman’s comments about the motivation. As I said, there is a balance to be struck between the service to customers, how we support staff and how we serve the wider taxpayer interest. Yes, across Government there has been a move towards more modern and—in some cases, perhaps—more centralised services. There is a balance to be struck, but there is a robust programme of support in place for staff who cannot move, and to help them extra money has been put into the transitional costs associated with transport, for example. HMRC is working with other Government Departments to make sure that where we can, we take advantage of the high skills people have, to move them to other Departments where their skills can be used.

Nigel Mills (Amber Valley) (Con): The Minister noted that there were some compliments in the NAO report on how HMRC has moved to a more realistic plan for this project, and is now managing the existing estate

better than before. Will she set out how HMRC will build on this progress to make sure that the skills are enhanced as this complicated project goes forward?

Jane Ellison: Of course. My hon. Friend is right to say that. As I have said, HMRC will respond in detail to the NAO report, and I will be pleased to discuss that with him. One of the NAO's recommendations is precisely what he has drawn our attention to—that there should be an iterative process of learning from every part of the move, ensuring for example that experience from the first regional centre to be opened is reviewed and lessons learned from it. This is a long programme of change; it is not an overnight transformation. It is absolutely right to review it at every stage so that we learn as we go along.

Sue Hayman (Workington) (Lab): You are proposing to close a very modern office in Workington. The NAO report says that the average distance between offices that are being closed and the regional offices is 18 miles, with most within 50 miles. However, Workington has been paired with Liverpool, which are 142 miles apart according to Google maps—a journey of three hours. To me, the situation is completely unacceptable. The workers in Workington cannot transfer down to Liverpool, and I cannot see how they can be reskilled to work in equivalent jobs in Workington. I would love to know your suggestions on that. As I say, this is just unacceptable.

Mr Speaker: I have no plans to close that office. To my very great life impoverishment, I have to admit that I am not aware of having been to Workington to date, and I certainly would not take it upon myself to presume to close something that I have not even visited.

Jane Ellison: I think we all recognise that you are busy enough, Mr Speaker, without taking charge of HMRC's regional transformation programme as well.

The hon. Lady has written to me about this matter, and I have said that I am happy to meet her to discuss it, perhaps allowing more time for discussion. She has cited the average figure that appears in the NAO report, but we of course accept that the move is going to be much less easy for some people, perhaps even impossible. We will support those people. With a view to providing suitable jobs in other Government Departments, the HMRC HR department is working closely with the Department for Work and Pensions. A lot of work is being done to support staff into other jobs, but we accept that not everyone will be able to move. I have written to the hon. Lady once on her specific points about Workington, but I will write to her again about what is happening in her area.

Philip Davies (Shipley) (Con): HMRC is planning to have a regional centre in Leeds, but it has not identified a site, and any site proposed will be incredibly expensive, crowding out private sector investment in Leeds. Just a few miles up the road in the Bradford district, a site is readily available, and it would be much cheaper for the taxpayer than it would be in Leeds, and it would help the local economy in the Bradford district as well. I urge the Minister to use this NAO report to pause, look again at these proposals and make sure that a regional centre in Yorkshire is not in Leeds, but in the Bradford district where many people in HMRC already work.

Jane Ellison: As my hon. Friend knows, I am familiar with all the localities that he mentioned. I know that Bradford was disappointed not to be the site chosen for the regional centre, but it is equally true that with a railway station in Shipley, my hon. Friend's constituents are merely 10 minutes from Leeds on the train. I hope that it will prove to be a realistic project for his constituents to move to Leeds if they want to. I shall reflect on what my hon. Friend said and will write to him if I can provide further detail. HMRC has provided detailed responses, explaining the criteria used to select locations and thus explaining why Leeds was chosen over Bradford. I know that there has already been a good deal of correspondence on this issue.

Ms Margaret Ritchie (South Down) (SDLP): The Minister will be aware that some HMRC offices have already closed in Northern Ireland, not only causing consternation to the staff who have had to be redirected to Belfast, but preventing accessibility for local businesses and ordinary people who are trying to deal with their tax affairs. In view of the NAO report, will the Minister please pause any further closures, as they simply cause chaos and upheaval?

Jane Ellison: I am not sure that I recognise the description of chaos and upheaval, given what I have said about improved average customer service times at the moment. There are good standards now, which does not align with what the hon. Lady said. I recognise that changes of this scale can be extremely difficult for the people affected by them, but I would like to pick up one point about how people interact with HMRC. We live in a different world from the one that obtained when the estates were last looked at on this sort of scale. The vast majority of taxpayers, both individuals and businesses, interact with HMRC digitally or on the phone. We have to adjust to the way the world is now rather than what it was like some decades ago.

Mr David Nuttall (Bury North) (Con): I want my constituents to get the best possible service from HMRC, particularly when they have a problem and things go wrong. Given that HMRC has about 58,000 employees, will my hon. Friend at least consider the feasibility of HMRC allocating at least one named employee for every constituency, so that each MP has someone permanently in place to contact within HMRC?

Jane Ellison: We have had the experience of working through recent challenges in respect of the Concentrix contract and the fallout from it. I have looked personally at how HMRC interacts with Members of Parliament. I have not looked at the specific idea that my hon. Friend mentions, but I shall reflect on what he said. I am looking to ensure that, as colleagues found while resolving issues, the resources allocated to MPs were effective in helping them to get results quickly in some of the most difficult cases. I shall reflect further on my hon. Friend's points because I want to make sure that HMRC serves colleagues of all parties as effectively as possible.

Sammy Wilson (East Antrim) (DUP): This modernisation and improvement programme in Northern Ireland has led to the closure of offices in towns that already have high unemployment, to frustration among people who have difficult cases and to a loss of expertise, especially

[Sammy Wilson]

in border areas where criminal evasion of tax is widespread. How does that fit in with the Government's commitment to spread economic growth, to provide better service to customers and to reduce tax evasion?

Jane Ellison: It is worth noting on the broader point that employment in our countries is at an all-time high. We would always want to retain expertise within HMRC, but there will always be people leaving any large organisation and people being recruited and trained up simultaneously. I refer the hon. Gentleman to what I said earlier: it will be much easier to support people who want to join the organisation to become highly skilled and professional and to plot a career in HMRC, so that they can have long-term, fulfilling careers in a variety of different areas, under the new modernised structures.

Diana Johnson (Kingston upon Hull North) (Lab): The Minister has said a number of times that there will be a better service for customers in these regional centres, but I note that the NAO report says that HMRC has not demonstrated that. Can she reassure me on how she has reached the conclusion that the service will be better, more efficient and more effective for customers?

Jane Ellison: I did note that point, but I am not sure that I agree with how the hon. Lady has expressed what I said. Let me provide one example. Many HMRC local offices are in very old buildings. As I said, some are over 100 years old and many are from the 1950s. Then there is the latest digital infrastructure, and many more taxpayers are interacting with HMRC digitally, through more than 7 million personal tax accounts. As anybody knows, it is difficult to bring an old office up to modern standards with the right digital infrastructure. If we want to make sure that staff can make the best use of modern computer systems and put them at the service of customers who increasingly interact digitally, it is much better to do so in newer buildings that have been bought for the purpose and where we have planned that sort of arrangement from the start.

Hannah Bardell (Livingston) (SNP): The Minister speaks of saving money and of modern offices. The HMRC offices at the Pyramids business park in my constituency are high-tech and high-end, with highly skilled staff, and there is plenty of further space. It would save the Government £70 million to keep that estate and develop it. Will the Minister meet me to discuss the details and perhaps consider retaining the hub in West Lothian, rather than moving it to a city centre where rents will be more expensive?

Jane Ellison: I have had a number of conversations with, in particular, some of the hon. Lady's colleagues who are based in Scotland, and I am, of course, always happy to meet any parliamentary colleague to discuss anything. No change in the plan for that regional centre is envisaged, but some of the challenges relating to West Lothian have been brought to my attention.

Louise Haigh (Sheffield, Heeley) (Lab): Sheffield staff are already commuting considerable distances to their HMRC office because of previous office closures. Does the Minister not agree that HMRC can ill afford to lose 5,000 experienced staff at this time?

Given that HMRC has struggled to find suitable property in the suggested locations, may I ask the Minister to reassess the proposed locations on grounds of cost, ability to retain experienced staff and impact on customer service? Will she reassess them on the basis of evidence, rather than simply deciding which location in each region is easiest for Whitehall civil servants to get to?

Jane Ellison: I am pretty certain that that was not the rationale for the choice of locations. Very careful discussions took place. I will, of course, read the report and reflect on it, as will we all, and, as I have said, HMRC intends to respond in detail, but a great deal of thought went into choosing the regional centres. I acknowledge that some people will not be able to move because the distances will be too far to travel, and we certainly want to retain experienced staff. Those who will not be able to move will have a number of different levels of experience, but if we can retain their skills and ensure that they are at the service of the taxpayer through other Departments, we will obviously try to do so.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): HMRC Porthmadog is earmarked for closure, and in all likelihood the Welsh language unit will be centralised in Cardiff, four hours away. Will the Minister meet me to discuss how these services can best be provided in a region where 71% of the population can speak Welsh and where Welsh is the working language of a county administration?

Jane Ellison: We have considered that issue, and we intend to work on it with other Departments. As I have said, I am always happy to have a conversation with colleagues—[*Interruption*]—not in Welsh! I will write to the hon. Lady, because the Welsh language has been raised with me before, and I know that it has been thought about in some detail.

Imran Hussain (Bradford East) (Lab): It is not very often that the hon. Member for Shipley (Philip Davies) and I find ourselves on the same page, but on this occasion we certainly are, because he made an excellent point in defending Bradford. In closing offices in that city, HMRC would be turning its back on a skilled and diverse workforce, access to leading universities and one of the best MBA programmes in the United Kingdom, all of which would help it to achieve its aim. Will the Minister therefore reconsider and take a more sensible approach?

Jane Ellison: I assure the hon. Gentleman and the House that, as a Bradford girl, I would never do anything to harm Bradford. Equally, however, as a Bradford girl, I make the extremely short commute between Bradford and Leeds many times a year. I do not think we would wish to lose any experienced staff or expertise from the Bradford office, but the commute from Bradford to Leeds is possibly one of the shortest that any transferring HMRC staff would have to make.

Chris Stephens (Glasgow South West) (SNP): Obviously, there will be an economic impact on many towns and cities that will lose their largest employer, but has an equality impact assessment been made in respect of staff, particularly those with disabilities, who have been asked to move 100 miles away?

Does the Minister not believe that the loss of local expertise will apply not only to tax evasion but to non-compliance with the national minimum wage, which, according to statistics, is on the increase in this country?

Jane Ellison: As the hon. Gentleman will know, we announced more investment in tackling non-compliance with the national minimum wage in the autumn statement. In fact, activity in that regard has been stepped up considerably, as I said when answering a parliamentary question this week. He may wish to refer to *Hansard* for the statistics. As for his wider point about losing expertise, of course we do not want to do that. We want to do as much as we can to help people to move, because it takes a long time for them to reach their highest level of skill, and we want to retain them when they are at the peak of their professionalism. I will write to him about the equality impact assessment.

Geraint Davies (Swansea West) (Lab/Co-op): Will the Minister think again about the location of the Wales tax centre? Will she consider siting it not in Cardiff but in the Swansea Bay city region, where property prices and other costs are lower, urban deprivation is much lower in European Union terms and skills are abundant because we have two universities? That was the logic of siting the headquarters of the Driver and Vehicle Licensing Agency in Swansea. As the biggest urban footprint in Wales, we need all the support we can get, and it is very costly in Cardiff.

Jane Ellison: The hon. Gentleman has neatly illustrated the challenge involved in deciding on locations as part of such a programme. He has made the case for Swansea, but other Members have made the case for their areas. It is always necessary to assess against a set of objective criteria, because every area will rightly have its advocates in Parliament.

Mr Gregory Campbell (East Londonderry) (DUP): Is the Minister aware that it will be feared throughout the United Kingdom, but particularly in Northern Ireland, that a policy that the Minister has presented as regionalisation will actually become centralisation and that a very small number of offices with a large number of employees will not adequately service the needs of the community?

Jane Ellison: Of course I am aware of that, but at the heart of HMRC's wider transformation programme, which will enable it to become the best digital tax authority in the world, is a desire to do more for customers: to collect more tax, to serve people better and to bear down constantly on customer waiting times. Indeed, all HMRC's programmes—not just the estates transformation programme—are designed to achieve that end.

Tom Brake (Carshalton and Wallington) (LD): Does the Minister accept that the closures will have a devastating impact on some communities, that £150 million less will be available to tackle tax avoidance as a result of HMRC's failure to plan the move properly and that HMRC is even less effective at saving money than at collecting it from slippery global corporations?

Jane Ellison: I think that, for the most part, what the right hon. Gentleman has said is just a political points-score. The facts simply do not bear it out. Since 2010, HMRC

has secured more than £130 billion in additional compliance revenues, and in 2014-15, as I said earlier, the United Kingdom's tax gap fell to its lowest-ever level of 6.5%.

Ian C. Lucas (Wrexham) (Lab): In Wales, the facts are that the Government are creating one national centre in Cardiff, the most expensive site in the country; that the office in Wrexham is not small, given that it employs 350 people; and that the alternative site proposed by HMRC is in Liverpool, but that has not yet been identified. This is a shambolic policy. It is ill-conceived, and it is being badly implemented. The Minister should listen to my colleagues from Wales—she has heard from many of them today—and reconsider the policy, because it is very bad indeed.

Jane Ellison: I note the hon. Gentleman's criticisms but cannot agree with the thrust of his points. HMRC will respond in detail to this report. This is a programme over a period of time and we will learn from each move. I do not recognise the description the hon. Gentleman just gave, but I do understand the point made, especially about some of the larger offices, and I realise that until the site in Liverpool is identified things are a bit more unsettling for his constituents who work in the Wrexham office than they might otherwise be.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Cumbernauld tax office already ticks all the boxes in terms of what HMRC apparently seeks in a regional centre: it is the right size and has experienced staff and an excellent location. So what on earth is the point of closing it, disrupting staff and damaging communities?

Jane Ellison: I have had a number of conversations specifically about the Cumbernauld site, and I will write to the hon. Gentleman with the detail, but there are a lot of different factors that go into choosing where to centre, some of which I touched on in my response to the urgent question. Inevitably, I cannot touch on them all, but much of this will come out in our response to the NAO report.

Susan Elan Jones (Clwyd South) (Lab): I think that the Minister would be outraged if people living in villages, towns and small cities all suddenly stopped paying tax, yet suddenly our civil service is being centralised in a few cities. Please will she reconsider these points? This is totally outrageous for people in north Wales.

Jane Ellison: I am not entirely sure I recognise the point being made. Most of our taxpayers, whether businesses or individuals, now interact with HMRC on the phone or digitally. The number of people who make personal visits, and expect to be able to make a personal visit to a local office, is dramatically lower than a generation or two ago. It is right that we pursue this modernisation programme, but it is also right, as the NAO has reminded us in this timely report, that we review the programme at every stage to make sure we are getting everything right and we learn from each iteration.

Chris Evans (Islwyn) (Lab/Co-op): I am sorry, but I have to disagree with the Minister on customer service, having seen my wife wait for half an hour for someone

[Chris Evans]

at HMRC to answer the phone over Christmas and given that a previous NAO report has shown that three in 10 people give up before being answered, as the average waiting time is 47 minutes before somebody picks up the phone. As the Minister will know, this was only resolved when HMRC recruited an additional 2,500 members of staff to deal with this crisis at the end of 2015. Is she confident, even though an NAO reports says that for every pound saved by this change £4 will go on telephone bills, that it will not cause a decline in customer service?

Jane Ellison: The focus on customer service is vital. At the heart of the wider transformation programme, not just the estate transformation programme, is the desire both to make sure HMRC is the most effective tax collector that it can be and to deal with customer service. So that is central to all the questions I ask of HMRC and it asks of itself.

On the specific point, I am sorry to hear the hon. Gentleman's wife waited for that long. I am concerned about the number of people who wait so long. Although they are a small proportion of the customers who ring HMRC, because of the large numbers who do so, it is still quite a lot of people, and it is an issue I have specifically been discussing with senior HMRC customer service managers, with a view to addressing it further.

Patrick Grady (Glasgow North) (SNP): Given that the Department for Work and Pensions is also conducting an estate review and is threatening to close eight job centres in Glasgow, what discussions is the Minister having with ministerial colleagues about the cumulative impact of the Government's shrinking of their estate? What impact is that going to have? How many HMRC employees are going to find themselves without a job and without a local job centre to go to?

Jane Ellison: The last question is difficult to answer because ultimately individuals will decide what is right for them at the time when the facts of a possible move are known. A great deal of support is being put in place to help them either make the choice about moving or move to other jobs. I have had the chance to speak not just to managers managing this programme, but people affected by it on the frontline, when some of them attended an event in London a few months ago. The HMRC human resources department is working closely with the DWP because there are some opportunities for people to move between Departments. However, on the specifics of the hon. Gentleman's local office, I am afraid it is not easy to give an answer until more is known about what the actual move would be and the numbers affected.

Tom Elliott (Fermanagh and South Tyrone) (UUP): The vast majority of staff in the HMRC office in Enniskillen in my constituency will be closer to two hours' journey time from the proposed new location than one hour. Does the Minister not see merit in the NAO report suggesting she should step back from the proposals?

Jane Ellison: As I have said, it is the nature of responding to an urgent question that one has not had a chance to look at the whole report and reflect on it, but HMRC will of course respond to it. Its chief executive is coming to the Public Accounts Committee fairly imminently and I imagine this is likely to be raised by the Committee. Of course we will look at this report—it is important, and we will look at what it says—but the central reasons that drive these plans still stand: modernising our estate, providing a service to the customer that reflects modern life and making sure the working environment for staff and the career progression open to them are the best they can be.

Northern Ireland: Political Developments

1.25 pm

The Secretary of State for Northern Ireland (James Brokenshire): With permission, Mr Speaker, I would like to make a statement about the political situation in Northern Ireland.

As the House will be aware, yesterday Martin McGuinness submitted his resignation as Deputy First Minister of Northern Ireland. This also means that the First Minister, Arlene Foster, also ceases to hold office, although she is able to carry out some limited functions. Under the terms of the Northern Ireland Act 1998 as amended by the Northern Ireland (St Andrews Agreement) Act 2007, the position is clear: should the offices of First and Deputy First Minister not be filled within seven days from Mr McGuinness's resignation, it falls to me as Secretary of State to set a date for an Assembly election. Although there is no fixed timetable in the legislation for me to do that, it needs to be within a reasonable period.

In his resignation letter, Mr McGuinness said:

"In the available period Sinn Féin will not nominate to the position of deputy First Minister."

I am very clear that in the event of the offices not being filled, I have an obligation to follow the legislation. As things stand, therefore, an early Assembly election looks highly likely. I should add that the rules state that, once an election has been held, the Assembly must meet again within one week, with a further two-week period to form a new Executive. Should that not be achieved, as things currently stand I am obliged to call another election. So right hon. and hon. Members should be in no doubt: the situation we face in Northern Ireland today is grave and the Government treat it with the utmost seriousness.

It is worth reflecting on how we have reached this point. The immediate cause of the situation we now face is the fallout from the development and operation of the Northern Ireland renewable heat incentive scheme. Under the scheme launched by the Northern Ireland Department of Enterprise, Trade and Investment in 2012, which is equivalent to a scheme in Great Britain, businesses and other non-domestic users were offered a financial incentive to install renewable heat systems on their premises. The scheme was finally shut to new applicants in February last year, when it became clear that the lack of an upper limit on payments, unlike in the GB equivalent, meant that the scheme was open to serious abuse. In recent weeks there has been sustained media focus and widespread public concern about how this situation developed.

The renewable heat incentive scheme was, and remains, an entirely devolved matter in which the UK Government have no direct role. It is primarily the responsibility of the Northern Ireland Executive and Assembly to take the necessary action to address the concerns that have been expressed about it. However, I believe that it is imperative that a comprehensive, transparent and impartial inquiry into the development and implementation of the scheme is established as quickly as possible. In addition, effective action needs to be taken by the Executive and the Assembly to control costs. The RHI scheme has been the catalyst for the situation we now

face, but it has also exposed a number of deeper tensions in the relationship between the parties in the Northern Ireland Executive. This has led to a breakdown in the trust and co-operation that are necessary for the power-sharing institutions to function effectively.

Over the coming hours and days I will continue to explore whether any basis exists for resolving these issues prior to my having to fulfil my statutory duty to call an election. I have been in regular contact with the leadership of the Democratic Unionist party and Sinn Féin, and also with the Justice Minister, Claire Sugden, an Independent Unionist. Yesterday evening I had a round of calls with the main Opposition parties at Stormont. I am also in close touch with the Irish Foreign Minister, Charlie Flanagan. Immediately after this statement I will return to Northern Ireland, where I will continue to do whatever I can to find a way forward. The UK and the Irish Governments will continue to provide every possible support and assistance to the Executive parties. However, we have to be realistic. The clock is ticking, and an election is inevitable if there is no resolution, despite the widely held view that an election would deepen divisions and threaten the continuity of the devolved institutions.

Over recent decades, Northern Ireland's politicians have rightly earned plaudits from across the globe for their ability to overcome difference and to work together for the good of the whole community. That has required courage and risk on all sides. We are currently in the longest period of unbroken devolved government since the 1960s. This political stability has been hard gained, and it should not be lightly thrown away. In the 14 months since the "Fresh Start" agreement, significant advances have been made in areas such as addressing paramilitarism, supporting shared and integrated education and putting the Executive's finances on a sustainable footing. This summer's parading season passed off peacefully, and the long-running dispute in north Belfast has been resolved. We have also been working intensively to build the necessary consensus to bring forward the bodies to address the legacy of Northern Ireland's past, as set out in the Stormont House agreement.

I am in no doubt that what Northern Ireland needs at this time is strong stable devolved government, not a collapse of the institution. Northern Ireland deserves fair, accountable, stable and effective government. It needs to continue to implement the Belfast agreement and its successors. It also needs to strengthen the economy and to ensure that Northern Ireland responds to the challenges and opportunities presented by EU exit; it needs to build a stronger, shared society in which there is respect for everyone; and it needs to address the legacy of the past in a way that enables Northern Ireland to move forward. We must not put all that at risk without making every effort to resolve differences. We must continue to do all we can to continue building a brighter, more secure Northern Ireland that works for everyone. I therefore urge Northern Ireland's political leaders to come together and to work together to find a way forward that will be in the best interests of Northern Ireland. I commend this statement to the House.

1.33 pm

Mr David Anderson (Blaydon) (Lab): I wish we did not have to be here for this statement today, but we are. I thank the Secretary of State for giving me notice of his

[Mr David Anderson]

statement. I want to make it clear from the start that we in the Labour party will support him in his endeavours to maintain the political stability in Northern Ireland. Those of us with long memories can remember a time in which people across Northern Ireland did not know the peace that we can see today, and any damage to this peace on our watch should rightly be to our shame. The issues facing Northern Ireland are many. They include the questions of how we deal with Northern Ireland's past and its legacy; how we help the many people living in poverty; and how we handle our impending exit from the European Union, bearing in mind that Northern Ireland has the UK's only land border with the EU. That will be a huge issue in any Brexit negotiation, and we are going into this election period just weeks before the Government sign off on article 50.

Any divisions now will be most damaging for Northern Ireland, when we should all be focusing on coming together to combat the common problems facing us all. This impasse does not help victims or families, and it does not help the economy. For those reasons, all of us in this House must come together, put aside partisan concerns and try to support those in Northern Ireland in order to maintain an enduring and peaceful devolution settlement.

The issues surrounding the RHI scheme have reached an impasse after many weeks of developments and, as the Secretary of State said, we might now be moving towards an election. That election would see constituencies reduced from six to five seats, and as we deal with the many challenges facing Northern Ireland, we could see the loss of many diverse voices that could have benefited the Assembly, which has been together only since the beginning of last year. The election could even deliver a similar result to that seen in 2016, and we would then be back at square one with the underlying issue unresolved. That could result in an even more polarised position than the one we face now.

If we have an election, what will it be fought on? Will it be fought on who can deliver the best outcome for the Northern Ireland economy and for its schools and hospitals? Will it look forward to progress or look backwards to division? With so much at stake, not least the institutions themselves, surely it is time for moderation. Lines in the sand are not what are needed. From the feedback that we are getting from people on the ground in Northern Ireland, I do not believe that the population there want an election, and certainly not so soon after the last one. Is that really what people want?

This is not just about us; it is about the world. The world is watching this. There is a huge amount of good will towards Northern Ireland and huge admiration for the success we have seen after decades of despair. People look to the Assembly for a lead, and that is a huge responsibility for the Assembly and for us in this House. People do not want us to fail. They want us all to rise to the hard challenges and work through them. They do not want us just to walk away when things get tough. We know from sad experience that the worst thing that we can do in Northern Ireland is to leave a vacuum. Six weeks of polarised election campaigning will not move the RHI issue forward one inch, but it could push back the real agenda that matters to the people of Northern Ireland on a day-to-day basis. For these reasons, we call

on the Secretary of State today to convene a roundtable in Northern Ireland to discuss ways to end this impasse and to help the discussions. I am glad to say that he has engaged with his counterparts in the Irish Government and with politicians in Northern Ireland. Let us all keep at it. Let us not give in to despair.

On the RHI scheme, can the Secretary of State tell us what assessment he has made of the effect the projected overspend will have on the Northern Ireland budget? I thank him again for coming to the House today, and I reiterate that we in the Labour party will do all we can to ensure that the devolved institutions remain, not just for six weeks or six months but for the many years to follow.

James Brokenshire: I am grateful for the support of the hon. Member for Blaydon (Mr Anderson) and for his comments. He underlines the significance of the issues and highlights the importance of having a strong, working, functioning Executive that can take Northern Ireland forward. There is much to be positive about when we look at the jobs that are being created and the incredible businesses that have been established. I always get a really positive sense of that spirit and the belief in what Northern Ireland can and will be. It has a bright future to look forward to.

Clearly we need the parties to come together and to work together, as I have said. The hon. Gentleman underlined that message in his comments. My intent, over this short period, is to continue to engage with the parties and determine what support the UK Government can provide in finding a solution and whether there is a way of pulling back from the current situation if things do not change. I commit to doing everything I can in my role to support that activity.

The hon. Gentleman asked about the costs to the Northern Ireland budget. I know that the Executive have made an estimate of around £490 million over a 20-year period if no mitigation takes place. One of the key issues is to determine what mitigation could be put in place. We need to support any proposals to mitigate the situation in the best interests of taxpayers in Northern Ireland. Certainly we stand ready to work with the Executive to play a role and to assist if necessary, but obviously we must focus, as time is short before I have to consider my responsibility to call an election. Again, that is why we need to work together.

Several hon. Members *rose*—

Mr Speaker: Order. Unsurprisingly, a very significant number of colleagues are seeking to catch my eye. I would like to accommodate most, if not all, of them. My prospects of doing so will be greatly enhanced if colleagues who are customarily addicted to long or multifaceted questions are today able to content themselves with minimal preamble and a simple, pithy inquiry, which I know will enjoy a pithy response from the Secretary of State.

Mr Laurence Robertson (Tewkesbury) (Con): I thank the Secretary of State for advance sight of his statement. Given that new elections would probably return the parties more or less in the same numbers as they have now, does he agree that repeated callings of elections will not really address the fundamental issue? Do we

not therefore need to look closely at how the institutions are actually constructed and formulated so that we can move away from this constant threat of those institutions collapsing or being collapsed?

James Brokenshire: I welcome the comments of the Chair of the Select Committee on Northern Ireland Affairs on the need to focus on the issues at hand and on the extent to which an election will change things. Between now and next week, our immediate focus and attention has to be on seeking to establish whether there is a way forward between the parties and on encouraging that. Obviously, various points and questions have been raised, but my responsibility at this time is to seek some form of resolution, to see whether a resolution is possible and to take stock as circumstances develop.

Deidre Brock (Edinburgh North and Leith) (SNP): As the Secretary of State alluded to in his statement, this has been coming down the line for a couple of months. Although it is deeply regrettable to see the Assembly stumble, it may need a serious jolt to get it going again. People will have differing opinions about the circumstances of Mr McGuinness's resignation, but it leaves the Secretary of State with limited room to manoeuvre and leaves Northern Ireland stuck on pause. Can he clarify what steps he is taking to ensure that public confidence remains in the future of the institutions in Northern Ireland?

Can the Secretary of State also assure us that he is taking steps to ensure that democracy remains at the centre of the debate in Northern Ireland? As it seems clear that the relationship in the Executive has broken down and, as he said in his statement, the clock is ticking, and unfortunately it appears unlikely that the parties will get back around the table, is he prepared to face that fact, act quickly and let the people of Northern Ireland get on with choosing who they want to sit in Stormont?

Furthermore, the Secretary of State's opportunities to affect the direction of Brexit negotiations appear as limited as those of the Scottish Secretary, given that neither is regularly invited into the room. Now that there is no effective Administration at Stormont who can speak up for Northern Ireland in the Joint Ministerial Committee, and remembering that Northern Ireland voted to remain, can he tell us what he is doing to ensure that the interests of the people of Northern Ireland are being looked after when Brexit negotiations are considered?

Finally, will the Secretary of State tell us of his discussion with the leader of the Ulster Unionist party regarding the possibility of suspending the Stormont Assembly until an inquiry into the RHI is concluded? Is he seriously considering that course of action?

James Brokenshire: One of the primary roles of the UK Government is to provide political stability, and we take those responsibilities very seriously. As I have already indicated to the House, if the time period elapses and the First and Deputy First Ministers are not in place, I have a duty and obligation to move in an appropriate way to call an election. As I have indicated to the House, that is my intent. We will take that approach. The hon. Lady highlights the issue of confidence in Northern Ireland's political institutions, and those institutions are why it is incumbent on me to use this

period to work with the different parties to see how confidence can be injected. Finding a resolution still remains the best outcome, if such a resolution can be found in the days ahead. That is where my focus will be.

The hon. Lady also highlights the issue of Brexit and speaking up for Northern Ireland. I assure her that that is precisely what I have done and will continue to do. I have regular meetings across Northern Ireland, and I continued to do so even earlier this week, to ensure that that voice is heard. Obviously, having a strong Executive in place and remaining in place is important, and therefore the Executive's ability to make points to the UK Government underlines the need for us to find a way forward at this time. That will ensure that Northern Ireland's voice is heard through that mechanism, as well as through the strong voice that I will continue to give.

Mrs Theresa Villiers (Chipping Barnet) (Con): Does the Secretary of State agree that, although an election looks highly likely, it should be possible to come up with a rigorous, transparent and comprehensive way to investigate the overspend of the RHI that does not have to involve the break-up of the coalition, an early election or the First Minister standing down?

James Brokenshire: I certainly believe there should be opportunities to find a way forward. I intend to use the days ahead precisely to see whether we can find an agreement. There is a sense of establishing some form of inquiry—I think there are indications from all the parties on ways in which that could happen—and of giving a sense of accountability and confidence in what happens next. I will certainly be using my influence to see what can be done to achieve that.

Mr Nigel Dodds (Belfast North) (DUP): Does the Secretary of State, and indeed the whole House, accept that we share the deep regret about the highly irresponsible decision of Sinn Féin singlehandedly to cause the collapse of the present Executive and precipitate what he has rightly called a threat to the continuity of the devolved institutions? It is clear from what Sinn Féin have said in their resignation letter that it is not about RHI, because had this continued we would have had an investigation and proposals to mitigate costs. It has happened because, according to them, they are not getting their own way on a whole series of demands, including on rewriting the past and putting more soldiers and security forces in the dock, despite our having just agreed a programme for government in Northern Ireland.

The Secretary of State and the whole House need to be assured that we want a full investigation into RHI and have proposals to mitigate costs. This must continue and it must not be blocked by Sinn Féin's actions, which are the ironic outcome of what they are planning to do. Overall, he can be assured that we in the Democratic Unionist party will continue to work with him and other parties to ensure a stable Northern Ireland, moving forward, based on good government. We want to see the institutions continue, and we will do everything in our power to make this process work. We deeply regret that Sinn Féin has decided to walk away.

James Brokenshire: I welcome any indication of the parties working together, and we need to take this opportunity to establish what arrangements can be put

[James Brokenshire]

in place. I will therefore continue my discussions with all the political parties in the days ahead. The right hon. Gentleman highlights the issues that are at stake, including the need for continued strong government within Northern Ireland so that those issues can be taken forward. That is certainly what I want to see, and I think it is what the whole House would like to see. We must establish whether there is a way forward to be able to achieve that end.

Mr Owen Paterson (North Shropshire) (Con): Many hard-working people across Northern Ireland who just want to get on with their lives will be exasperated by recent events and will welcome the Secretary of State's measured tone, and indeed the comments of the shadow Secretary of State. In his discussions, will the Secretary of State remind all parties of the huge effort and immensely difficult compromises that brought about the current settlement? Will he stress that the enormously valued long-term benefits must not be jeopardised for short-term political motives?

James Brokenshire: Again, I thank my right hon. Friend and my right hon. Friend the Member for Chipping Barnet (Mrs Villiers) for all their work over many years to provide stability and security. Hard effort has gone into achieving the gains that we see today, and we need to approach the days ahead with that focus to see what resolution can be found.

Vernon Coaker (Gedling) (Lab): If there were to be an election, how does the Secretary of State expect a Government to be formed afterwards? Can he confirm that it is the Government's intention that under no circumstances will emergency legislation be introduced in this House to introduce or reintroduce direct rule?

James Brokenshire: It is unhelpful to talk about either the suspension of devolution or direct rule—that is entirely premature—as the tone of the hon. Gentleman's point and the way in which he made it suggests. If we are not able to reach a resolution in these next seven days, the next stage is for an election to be called. As I have indicated, it is likely that that election will be divisive, difficult and tough, and therefore the ability to reach a resolution at the end of it may be very challenging. That is why we need to use the time we have now to address a number of the points raised.

Maria Caulfield (Lewes) (Con): The Secretary of State's statement touched on the possibility of an impartial inquiry into the energy deal. Will he give a bit more information about that and the timescale involved? With possible elections looming, will such an inquiry happen quickly?

James Brokenshire: Ultimately, that will depend on the Executive and the parties in Northern Ireland reaching a resolution on it. As I have said, this is entirely within the devolved space, so it is right and proper that a solution should be created within that environment. Equally, this underlines the need for us to get on with it, where possible, to give that sense of assurance, to respond to the concerns that have been raised and to show where accountability may or may not rest, depending on the evidence that emerges.

Dr Alasdair McDonnell (Belfast South) (SDLP): Dr T.K. Whitaker was one of the constant voices for peace and reconciliation in Ireland, between north and south, and between Ireland and Britain, over his outstanding lifetime in public service. Dr Whitaker died last night, four weeks after his 100th birthday. Will the Secretary of State join me in offering our sympathy and condolences to the family and friends of Rostrevor, County Down-born Dr T.K. Whitaker, who was a major driver in the creation of modern Ireland? I am reminded of the tribute of Marc Antony to Julius Caesar that he did

“bestride the narrow world
Like a Colossus”.

May I welcome the Secretary of State's statement, and his reference to the view that a comprehensive inquiry is needed urgently and that there are deep tensions there in the Government? Does he accept that although RHI may have been the last straw, the major factor in the current crisis was the UK vote for Brexit, against the wishes of the people of Northern Ireland and Scotland, which has led to considerable political confusion and damage to the Northern Ireland economy? That, in turn, has played a significant part in compounding political difficulties.

Mr Speaker: I admire the hon. Gentleman enormously, but I hope he will not take it amiss if I say that he really is an incorrigible fellow; I thought that his question had concluded, but I had heard only the first third at that point.

James Brokenshire: I thank the hon. Gentleman for highlighting the news of the sad passing of T.K. Whitaker. At this time, it is worth reflecting on those who have contributed so much to the advancement of political stability and strength in the economy, which is why I pass on my condolences to all who will mourn his passing and join the hon. Gentleman in that way.

I differ from the hon. Gentleman in not sharing his analysis about Brexit, as there are opportunities for Northern Ireland in terms of what it can be and will be following the UK's departure from the European Union. I am in no doubt about the special circumstances and factors that are very relevant in this, which is why I will continue to advocate strongly in Northern Ireland's best interests to get the best possible outcome from these negotiations.

Richard Benyon (Newbury) (Con): I was going to ask you to grant an urgent question today, Mr Speaker, on the investigations into and prosecutions of Operation Banner veterans, but I withdrew it because of the events of last night. Will the Secretary of State inform the House as to what measures will be taken as a result of this situation to stop this very one-sided judicial process?

James Brokenshire: I am grateful to my hon. Friend for his point. I am absolutely clear as to the huge contribution that our armed forces and the Royal Ulster Constabulary made in seeing the gains within Northern Ireland over recent years. He makes a point about some of the ways in which the system operates at the moment. There is a need for greater proportionality and balance within the system, which is precisely what the Stormont House agreement and the Stormont House bodies will provide. Notwithstanding current events, I remain

committed to taking that forward, leading to a public phase in relation to that work. I judge that to be the right next step.

Mr Ivan Lewis (Bury South) (Lab): Of course there has to be an independent, transparent investigation into the failings of RHI, but is this not a symptom of a wider problem: a breakdown of mutual trust and respect between the majority parties in Northern Ireland? Leaders do not have to be friends, but given the nature of the constitutional arrangements in Northern Ireland there has to be mutual respect and trust. Is this situation not purely a symptom of a breakdown of that? Do we not need to see leaders who are committed to putting personal differences aside in the interests of the institutions?

James Brokenshire: The hon. Gentleman may have noted that I said in my statement that, obviously, the focus has been on RHI, but other issues have come through from this. Indeed, the letter that Mr McGuinness published yesterday highlighted a number of those themes. That is why I make the point at this time about parties coming together and working together in the best interests of Northern Ireland, given so much opportunity that resides there. There needs to be that focus on the big issues at hand and the best interests of Northern Ireland.

Nigel Mills (Amber Valley) (Con): If there are constructive talks in the next few days, will the Secretary of State be willing to consider extending the seven-day period before an election has to be called?

James Brokenshire: As I have indicated, the law is clear about the seven-day period and I must act within a reasonable period following that. Obviously, if the time period elapses, I will need to consider the position carefully, but I am under that statutory duty and I will follow through on it.

Mr Alistair Carmichael (Orkney and Shetland) (LD): This is not the first time that the institutions have been brought to the brink, and each time leadership is required to bring them back. Principally, that leadership has to come from the parties in Northern Ireland, but there is a leadership role for the Government and the Secretary of State. He has the power under the Inquiries Act 2005 to constitute a public inquiry into the handling of RHI, so will he do so? As he finds his way through this, will he undertake to speak to all parties in Northern Ireland, not just to the DUP and Sinn Féin?

James Brokenshire: On the last point, I say that I had a round of calls yesterday evening to the main opposition parties in Northern Ireland, and I will continue to maintain that contact with parties at Stormont. On right hon. Gentleman's point about RHI and the nature of an inquiry, I remain of the view that the best solution is that a way forward should be found within Northern Ireland, taking his point about issues of leadership and showing that the devolved institutions are able to deal with the challenges that exist. That is where my focus will be in the days ahead.

Dr Julian Lewis (New Forest East) (Con): My hon. and gallant Friend the Member for Newbury (Richard Benyon) ably expressed the dismay at the grotesquely partisan and inequitable decision to instruct the Police

Service of Northern Ireland to start pursuing retired British service personnel, while amnestied former terrorists freely walk the streets. Will the Government introduce legislation urgently to offer them at least the same protection as the amnestied terrorists undeservedly enjoy?

James Brokenshire: There are no amnesties. We have been clear on that in relation to the "on-the-runs" scheme, and Lady Justice Hallett's report concluded in 2014 that these things never amounted to an immunity from prosecution. But my right hon. Friend makes a broader point about the need for a proportionate and balanced approach to legacy to ensure that all aspects are investigated properly, rather than by looking at one side rather than the other. That is precisely the approach that can be taken forward through the Stormont House agreement.

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): We will have a debate later in Westminster Hall on this very subject. May I say to the Secretary of State that if we are going to have more talks, let us deal with this issue once and for all? It is unacceptable that veterans of the armed forces who served the Crown are waiting on the knock at the door, while the terrorists walk free.

James Brokenshire: I know the interest that the right hon. Gentleman has taken in this issue of legacy over many, many years. I agree that it is totally unfair that the alleged misdeeds of soldiers and former police officers should be investigated, while perpetrators of terrorist atrocities are ignored and their victims forgotten. It is precisely that part that was reflected in the proportionate, balanced, fair and equitable stance taken in relation to the Stormont House agreement; this is why we have been continuing discussions on that very issue and why I am determined that we will move to a public phase so that we can take that forward.

Dr Andrew Murrison (South West Wiltshire) (Con): Had the historical investigations unit not been structured as it was, the Stormont House agreement would have failed and, in all likelihood, so would the Executive in 2014. Now that the Executive have apparently failed, does the Secretary of State share my sadness that the unit was set up as it was and had to investigate chronologically, meaning that servicemen were bound to be the subject of most of its investigations as terrorists sadly do not keep any records, and they certainly do not respond to letters from the Ministry of Defence inviting them to unburden themselves?

James Brokenshire: The historical investigations unit has not yet been established and the chronological approach that he highlights—that proportionate approach—is not in place. The need for reform and change was reflected in the Stormont House agreement, which is precisely why it is necessary to take this matter forward. Notwithstanding recent events, there is still the opportunity for us to move forward with the parties to ensure that we get the political stability required for these issues to be taken forward, precisely for the cross-community interests that reside around this issue.

Mark Durkan (Foyle) (SDLP): Does the Secretary of State not recognise that it is the hubris of the outgoing First Minister that has brought about the humiliation

[Mark Durkan]

for our institutions of his now having to contemplate the options he has discussed today? Does he also note that Sinn Féin is saying it has called time on the “DUP status quo”, which seems to be how it is now describing the “Fresh Start” agreement? Would not a future real fresh start involve a return to a key precept of the Good Friday agreement: that the First and Deputy First Minister should be jointly elected by the Assembly? They might then both act as though they were accountable to the Assembly that appointed them, which would have avoided these difficulties.

James Brokenshire: We need to focus on using the time available over the coming days to see what resolution can be found and how people can work together in the best interests of Northern Ireland, because so many issues are at stake. Part of that is about how we move forward and get an inquiry in place so that questions can be answered and so that appropriate accountability, based on the information that comes from that inquiry, is allowed to happen. That is where the focus needs to be.

Claire Perry (Dezives) (Con): Like so many Members in the House, I have grave concerns about what seems to be a disproportionate and politically motivated investigation of those who believed that they were just doing their job during Operation Banner. I am sure my right hon. Friend the Secretary of State is aware of those concerns, but he should know that, as an MP representing many serving members of the British Army, I know that this issue is having a measurable effect on current recruitment for our armed forces. Does he agree that this period of uncertainty provides us with an opportunity to set the record straight about what is and is not within the scope of the inquiry?

James Brokenshire: I am grateful to my hon. Friend for making that point, and for the way in which she makes it. I certainly am struck by the strength of feeling, which is why I underline the points I have made about how we need to see a change in the system. The attention of the state is focused in such a way that there are cases in which people have been murdered as a consequence of terrorist activity but are not being pursued. There are mechanisms that provide for that, and I am intent on taking that forward. Notwithstanding the current issues, that remains a priority.

Mr David Hanson (Delyn) (Lab): Will the Secretary of State confirm that other Ministers in the Northern Ireland Executive remain in post and can continue to govern the Northern Ireland Assembly, as now? Will he therefore exercise maximum discretion to ensure that the objectives of the Stormont House agreement—to secure devolved administration and stop people like me running Northern Ireland as direct rule Ministers—are met?

James Brokenshire: I appreciate the right hon. Gentleman’s viewpoint; he has direct experience from the time he served as a Minister in Northern Ireland. He is right that the relevant Northern Ireland Ministers remain in place in the Executive. Yes, we find ourselves in the current situation, but stability can be maintained through this period. The actions of Ministers in the

Executive will clearly be limited, but none the less that stability remains, and we need to continue to work with the Executive at this time to find the solution.

James Heapey (Wells) (Con): I served twice in Northern Ireland during my time in the Army, so I know a little of the challenge faced by my right hon. Friend the Secretary of State in meeting the expectations of all sides of the community. However, I must echo colleagues who have discouraged him from allowing investigations of British troops. No matter how well designed the investigatory process is, such investigations break the covenant with those who are serving and have served in our armed forces. I encourage my right hon. Friend to block the investigations straightway.

James Brokenshire: I am not able to intervene; my hon. Friend will understand the rule-of-law issues, the related prosecutorial issues and the other aspects that sit around all this. Nevertheless, I am concerned about the balance of effort and the need to ensure that there are proper investigations that follow the evidence rather than anything else. Reform is needed. The situation as it is at the moment is wrong and has to change, and that is what I am committed to achieving.

Ian Paisley (North Antrim) (DUP): I remind the Secretary of State that a previous Prime Minister intervened by writing letters, which got a lot of people off the hook. In the absence of a Northern Ireland Executive—probably for a period of months—will he confirm that he will assume all responsibilities for and powers over how the Brexit negotiations apply to Northern Ireland, and that he will not allow Northern Ireland to be prejudiced in any way by the petulance of those who have walked away from the table?

James Brokenshire: As I have already indicated, I am very clear about my role and responsibilities in relation to preparations for the triggering of article 50. I have worked over many months to engage with all aspects of society in Northern Ireland, and I continue to do so. I will continue to articulate firmly and clearly, in Whitehall and elsewhere, the best interests of Northern Ireland throughout the Brexit negotiations. That process is strengthened by having a functioning, capable Executive who can support that, and work with the UK Government to ensure that we get the best possible deal for Northern Ireland from the negotiations.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): The Secretary of State will have received correspondence from me regarding my concerns about the investigation of personnel involved in Operation Banner. On the RHI, he said in the House today, “The scheme was finally shut down to new applicants in February last year, when it became clear that the lack of an upper limit on payments, unlike in the GB equivalent, meant the scheme was open to serious abuse.” That is not a clear indication of when his predecessor was first made aware of the abuse. When was that?

James Brokenshire: The point is that this was a devolved decision. It sits in the devolved space, so the UK Government have not had that sort of direct role, which was why I made the point that I did. The hon. Gentleman’s question is perhaps directed more at some of the points that have been made about an ongoing inquiry and the

need to get answers about the decisions that have been made around the RHI scheme. It is that focus that needs to be given.

David Simpson (Upper Bann) (DUP): I am sure the Secretary of State will agree that over the past 24 hours the real picture has been emerging. This is about a political wish list from Sinn Féin. The whole issue of a conflict of interest for the First Minister is a red herring. When it comes to the legacy issue, will members of Sinn Féin stand aside and resign when we are investigating things from their past?

James Brokenshire: The hon. Gentleman will know that the Stormont House agreement provides an important framework, agreed by all the parties, for how best to respond to issues from the past. My focus remains on seeking to give effect to that in accordance with the terms of the Stormont House agreement. I will continue to encourage parties to work together so that we can establish the political consensus required to achieve that, because of all the really important reasons that have been identified in the House today.

Tom Elliott (Fermanagh and South Tyrone) (UUP): The Secretary of State will be aware of the list of issues that the Deputy First Minister included in his resignation letter yesterday. Will the Secretary of State confirm to the House that he and Her Majesty's Government will not be weak in any negotiations with Sinn Féin and will not allow the rewriting of history?

James Brokenshire: I will certainly not be party to any rewriting of history—I have said that on several occasions in relation to the issues of the past. We need to focus on the time at hand and find a way forward from the very difficult situation we are now presented with so that we can see Northern Ireland moving forward. We need to use this time to bring people together, rather than looking at things that separate and divide. We must use these days to focus on how trust and confidence can be re-established, and work with the parties to do that.

Ms Margaret Ritchie (South Down) (SDLP): Fundamental to the political institutions in Northern Ireland were the principles of power sharing, partnership and respect for political difference. In the past weeks, we have seen the disappearance and the withering away of the principle of power sharing, foremost by the Democratic Unionist party. Will the Secretary of State ensure in his discussions with the political parties in Northern Ireland that those principles are adhered to and that everybody comes back to the principle of power sharing?

James Brokenshire: The important part of the political settlement is the fact that it works for all communities across Northern Ireland. That is very much at the heart of the agreements that have been reached and, indeed, of the work that needs to continue. That is why I make the point about the need to look at those things that bind people together and how we use this time at hand, rather than taking the risk of what may be a divisive election that seeks to create more difference, which makes that job harder.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): The Secretary of State mentioned legacy issues in his statement, so will he give the House some practical

details on how he will proceed on that in the hiatus? Will he also answer the point made by the shadow Secretary of State about a roundtable meeting, as that is something to which we all look forward?

James Brokenshire: On the last point, the most effective thing for me to do is to engage with the relevant political parties and establish the appropriate way in which we can facilitate further discussions to establish whether a way forward can be achieved without the need to call an election. As I have said, I stand absolutely by my commitments under the Northern Ireland Act 1998 as to what may be required if we do not fill the positions. On the hon. Gentleman's point about legacy, I have underlined that I want to establish the necessary political consensus to move forward. The next step is a more public phase of that—I am talking about enabling all the public in Northern Ireland to have their say about the proposals. That is the next step I wish to take.

Gavin Robinson (Belfast East) (DUP): Does the Secretary of State recall that, just two years ago, Sinn Féin plunged the institutions into crisis over the implementation of welfare reform and cost the Northern Ireland Executive £174 million—not in a projected or an estimated way, but in an actual way? None the less, in a bizarre irony, the decision to resign and to walk out of the Northern Ireland Executive means that there will be no Assembly to pass the mitigation measures that were due from the Stormont House Agreement. Therefore, Sinn Féin will be delivering the bedroom tax in Northern Ireland in six weeks' time.

Mr Speaker: I am not sure that I detected a question in that stream of consciousness from the hon. Gentleman—[*Interruption.*] I hear him now chuntering from a sedentary position, "Does he agree?"

James Brokenshire: I am in no doubt about the tensions that exist at the moment but, in relation to welfare, I do look back to those days when there were differences. There were very strongly held views, yet a way forward was established. At this time, I call on the parties to reflect on that experience, to work together and to use this time now to find a solution.

Danny Kinahan (South Antrim) (UUP): May I welcome the Secretary of State's comment that we want to build a stronger shared society in which there is respect for everyone? We all want to see that but, in line with what the Chair of the Northern Ireland Affairs Committee, the hon. Member for Tewkesbury (Mr Robertson), said, we need to have a completely new look at this. We need to get back to the Belfast agreement so that we do not go round and round in circles, but we must remember that Einstein said that

"insanity is doing the same thing over and over again, but expecting different results."

James Brokenshire: I know that the hon. Gentleman has put down some thoughts and I read his article at the weekend. The primary focus now is to see how we can use this short time ahead to work and build together to determine whether we can get through this current difficulty and ensure that we can look to a bright, positive and prosperous Northern Ireland. Ultimately, that is what we are about. That is what is at stake, and it is why I will be doing all that I can to establish whether a way forward can be found and a solution created.

Point of Order

2.14 pm

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): On a point of order, Mr Speaker. I wish to clarify a question that I asked in Foreign Office questions, and to ask your advice on a very serious matter. The Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood), appeared to be confused about what I was referring to in my question. I was in fact referring to his statement on 21 July 2016 confirming that four errors had been made in answer to parliamentary questions and in two statements on the issue of whether the UK Government had assessed alleged violations of international humanitarian law by Saudi Arabia in Yemen. That issue is very pertinent to debates that are going on in the House this week.

A number of Members and I are concerned that the Government have been attempting to prevent scrutiny on this issue and on what they knew about Saudi Arabia's activities. Indeed, my right hon. Friend the Member for Leeds Central (Hilary Benn) was told in an answer to an urgent question in September that Ministers had acted immediately on recognising that they had given misleading information to the House. However, a freedom of information request released just before Christmas reveals otherwise. It is important to make you aware, Mr Speaker, that that information was released only after the Information Commissioner intervened and ordered the Government to release the information, viewing that they were in breach of the Freedom of Information Act. This is the only occasion when they have been forced to do that in the past year. The information revealed that not only did the Minister and indeed the former Foreign Secretary, the right hon. Member for Runnymede and Weybridge (Mr Hammond),

know that there had been errors in information as early as 28 June 2016, but that they took nearly a month to provide that information to Parliament. They only provided it in a written statement on 21 July 2016. The information makes it clear that they were worried about the views of Parliament and the courts. I believe that this potentially constitutes a breach of the ministerial code and the courtesies of this House, which say that information should be provided in a timely fashion when errors have been made in answers. I seek your guidance, Mr Speaker, on how I might pursue the matter and find out whether a breach of the ministerial code has taken place.

Mr Speaker: I am very grateful to the hon. Member for Cardiff South and Penarth (Stephen Doughty) for his point of order and for his courtesy in giving me advance notice of his intention to raise it. I must start by saying that the content of Ministers' answers is the exclusive responsibility of those Ministers. If a Minister comes subsequently to realise that he or she has erred in saying something incorrect or even in giving an inadvertently misleading impression by failing to include in an answer information that should have been divulged, it is the responsibility of that Minister to correct the record.

The hon. Gentleman asks how he can best proceed in this matter. My instinct is that he should, if he feels that there has been a potential breach of the ministerial code, write directly to the Prime Minister, for it is for the Prime Minister who, under our existing constitutional arrangements, decides whether to refer an alleged and claimed breach to the independent adviser on ministerial interests. That therefore is the course that I recommend to him. It may avail him. If it does not, and the matter in his mind and that of others remains unresolved, and he feels that the House is in possession of wrong information that has not been corrected, he can always return to the matter by a variety of means. We will leave it there for now.

Mutual Guarantee Societies

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

2.18 pm

Christina Rees (Neath) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to make provision for the creation of mutual guarantee societies, for their membership by small and medium-sized businesses for the purpose of lending to and by such business and for their operation; and for connected purposes.

I am a Labour and Co-operative Member of Parliament. I am proud that I am introducing this Bill at the start of the Co-operative party's centenary year. My thanks also go to Co-operatives UK and Philip Ross for their work in pressing the case for this legislative change.

For 100 years, the Co-operative party has been putting forward the case for more co-operation in our country. Correcting the legislative anomaly of the UK not benefiting from mutual guarantee societies not only is another step towards expanding co-operation but, importantly, would ensure that we increase the level of small and medium-sized enterprise bank lending. Put simply, my Bill seeks to harness the positive power of co-operation in order to increase SME lending in this country. SMEs are vital to the UK economy, and they are major drivers of employment and wealth for the country. Ensuring that they have access to the right type of finance at the right time is essential to make sure that they maximise their growth potential and develop new job opportunities.

An economy that allows for SME investment and a financial system that is prepared to lend to SMEs are essential. House of Commons research shows that SME lending is, for the first time since the global economic crisis, starting to become net positive, but a look at the broader Bank of England "Credit Conditions Survey" for 2016 makes less positive reading. It shows that the availability of credit remains static at best; indeed, the proportion of loan applications from small businesses that were approved showed a decline in quarter 2 and quarter 3 of 2016. The survey also shows that that decline is predicted to continue. That trend must be reversed, and the creation of mutual guarantee societies can be part of the solution.

My Bill would allow for the creation of mutual guarantee societies, which are private guarantee institutions created by beneficiary SMEs. While there are different forms of mutual guarantee society across Europe, they typically share a co-operative or mutual status. That means that the mutual guarantee societies' capital is provided directly by the SMEs that apply for a loan guarantee in the form of co-operative or mutual shares. Each member has an equal voting right and participates in electing the general assembly and board of directors of the mutual guarantee society. By working together, SMEs can then negotiate a better deal from banks. For the banks, the underpinning of the mutual guarantee provides partial security on otherwise unsecured enterprise lending. The risk is lower, so the price of money is lower. The deal flow is greater and underpinned by peer review from SME members, so access to capital is easier. A guarantee provided by a mutual guarantee society on behalf of the SME to the bank replaces collateral, enabling the bank to grant the loan. The guarantee is a financial

commitment by the society to repay a certain percentage of the loan if the SME member cannot honour its payments.

In many ways, this Bill is a no-brainer. Mutual guarantee societies provide access to finance, achieve better credit conditions, provide assessments of companies' intangible and qualitative elements, serve as a bridge between SMEs and financial entities, and can provide better advice and supervision in financial management. The creation of such societies in the UK would also be good for the banks because, among other aspects, they reduce banks' overall risk, provide qualitative information for the banks, provide more detailed risk assessment at no cost, and allow them to work with supervised and reliable financial intermediaries. The OECD concluded in 2013 that mutual guarantee schemes

"represent a key policy tool to address the SME financing gap, while limiting the burden on public finances."

The UK is almost unique in not making use of mutual guarantee societies. In Europe, it is estimated that around 2 million guarantees have been made for a value of €70 billion to more than 2 million customers. This represents about 8% of all SMEs in the European Union benefiting from the activity of mutual guarantee societies. The UK has no mutual guarantee market for SMEs to improve their access to finance because of inappropriate regulatory barriers. The provision of mutual guarantees by SMEs is interpreted as requiring the full regulatory burden of being an approved insurer under the "surety" category, with, as a result, far higher capital requirements and regulatory burdens than in any other EU country. Other countries have been able to specify mutual guarantee societies when transposing EU directives so that they are regulated in a distinct and appropriate way. As the UK has no such arrangement, we have, in essence, regulatory gold-plating that blocks the entry of new models of mutual finance of this form.

Following work with the co-operative sector in 2012, the Financial Conduct Authority clarified that the best fit for any mutual guarantee society in terms of regulated activities under current legislation is suretyship. However, this imposes significantly greater capital requirements than is the case in countries that have a bespoke scheme for mutual guarantee societies, and it is not a particularly good fit anyway. My Bill would change that. It provides a definition of a mutual guarantee society and adds mutual guarantees to the list of regulated activities set out in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

Despite the problems and barriers within the existing regulatory system, there is one UK-based member of the European Association of Mutual Guarantee Societies—the British Business Bank. This institution, which was created to drive SME lending, might not be the type of mutual that I believe would be created following the legislative change proposed in the Bill, but it neatly demonstrates the point that mutual guarantee societies must be part of the answer to the question of how we increase SME lending.

I hope that we are pushing at an open door. I note that in written answers to my hon. Friend the Member for Wolverhampton South West (Rob Marris), Treasury Ministers have stated that officials plan to meet the FCA to discuss the possible development of mutual guarantee societies. I believe that this Bill would create a welcome mutual addition to our financial services sector

[Christina Rees]

and allow the UK to benefit from SME lending in the same way that other countries have done for many years.

Question put and agreed to.

Ordered,

That Christina Rees, Mr Gavin Shuker, Anna Turley, Lucy Powell, Stephen Doughty, Mr Adrian Bailey, Seema Malhotra, Mr Gareth Thomas, John Woodcock, Jonathan Edwards and Christian Matheson present the Bill.

Christina Rees accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 24 February, and to be printed (Bill 119).

Commonwealth Development Corporation Bill

Consideration of Bill, not amended in the Public Bill Committee

New Clause 1

CONDITION FOR EXERCISE OF POWER TO INCREASE LIMIT: ANALYSIS OF USE OF SEPARATE FINANCIAL CENTRES

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: analysis of use of separate financial centres

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if the Secretary of State has previously laid before Parliament an analysis on the use of separate financial centres.

(2) An analysis under subsection (1) shall consider and report upon—

- (a) the countries in which CDC invests which do not have a sufficiently robust regulatory environment for its financial institutions to be used;
- (b) the prospects for countries identified in accordance with paragraph (a) to cease to be in that category;
- (c) the separate financial centres used for investments intended for countries identified in paragraph (a);
- (d) the criteria used for determining the use of the financial centres identified in paragraph (c), and
- (e) the Secretary of State’s assessment of the extent to which the financial centres identified in paragraph (c) comply with the standards of transparency and accountability in tax matters with which the United Kingdom complies.”—(Kate Osamor.)

This new clause would require any proposal to increase the limit by secondary legislation to be accompanied by an analysis of the CDC’s use of separate financial centres where countries do not have sufficiently robust regulatory environments, the transparency and accountability of those financial centres and the progress made in precluding the need for the use of separate financial centres.

Brought up, and read the First time.

2.29 pm

Kate Osamor (Edmonton) (Lab/Co-op): 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 new clause 2—*Condition for exercise of power to increase limit: report and business case*—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: business case and strategic plan

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if the Secretary of State has also laid before the House of Commons the documents specified in subsections (2) and (3).

(2) The document specified in this subsection is a business case for the proposed use of the new investment enabled by the proposed increase in the limit in force which includes information on—

- (a) the expected market demand,
- (b) the proposed sectors,
- (c) the proposed locations, and
- (d) the prospective development returns.

(3) The document specified in this subsection is a strategic plan for the development of the activities of the CDC in consequence of the proposed increase in the limit in force.””

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by the laying before the House of Commons of a detailed business case for the proposed additional investment and a strategic plan in relation to the additional investment.

New clause 3—Condition for exercise of power to increase limit: poverty reduction purposes for spending outside LDCs—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: poverty reduction purposes for spending outside LDCs

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if the Secretary of State is satisfied that the condition in subsection (2) or the condition in subsection (3) is met.

(2) The condition in this subsection is that any new investment enabled by the proposed increase in the limit in force is in a country which is classified as one of the least developed countries.

(3) The condition in this subsection is that the Secretary of State is satisfied that any new investment enabled by the proposed increase in the limit in force will have a significant impact on the reduction in poverty (within the meaning given in section 1(1) of the International Development Act 2002) in the country or countries concerned.

(4) In determining the classification of a country for the purposes of subsection (2), the Secretary of State shall use the latest analytical classification of the world’s economies prepared by the World Bank.””

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be for additional investment which is either in least developed countries or which makes a significant impact on poverty reduction in another country.

New clause 4—Condition for exercise of power to increase limit: independent assessment of aid impact—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: independent assessment of aid impact

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if the Secretary of State is satisfied that arrangements are in place for the independent assessment of the aid impact of new CDC investment which meet the conditions in this section.

(2) The first condition is that a framework agreement has been reached between CDC and the Independent Commission for Aid Impact for the Commission to carry out such an assessment on an annual basis.

(3) The second condition is that each annual assessment will be able to assess projects with a monetary value equivalent to at least 5 per cent of the total value of current investments in the year in question by the CDC.

(4) The third condition is that the Secretary of State is satisfied that the Independent Commission for Aid Impact has the additional resources required to carry out such annual assessments without impairing its capacity to undertake its other work.””

This new clause would require any proposal to increase the limit by secondary legislation to be contingent on an agreement being reached for an annual independent assessment of aid impact to be carried out by the Independent Commission for Aid Impact covering at least 5% of CDC’s investment portfolio at the time.

New clause 6—Condition for exercise of power to increase limit: review of poverty reduction impact and contribution to Sustainable Development Goals—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: poverty reduction

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he has also laid before the House of Commons a review in accordance with subsection (2).

(2) A review under this subsection must provide the Secretary of State’s assessment of the extent to which the increase in the limit on the Crown’s assistance to the Corporation is likely to contribute to—

- (a) a reduction in poverty, and
- (b) achievement of the Sustainable Development Goals.

(3) In this section—

“reduction in poverty” shall have the same meaning as in section 1(1) of the International Development Act 2002; and

“the Sustainable Development Goals” means the Goals adopted at the United Nations on 25 September 2015.””

This new clause would require any draft regulations to increase the limit on government assistance under section 15(4) to be preceded by a review, also to be laid before the House of Commons, of the extent to which the increase in the limit will contribute to a reduction in poverty, the aim of development assistance, and to the achievement of the Sustainable Development Goals.

New clause 7—Condition for exercise of power to increase limit: prohibition on investment in certain sectors—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: prohibition on investment in certain sectors

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.

(2) That condition is that any new investment enabled by the proposed increase in the current limit at the time is not in any of the following sectors—

- (a) education providers that charge the end user,
- (b) healthcare providers that charge the end user,
- (c) the real estate sector,
- (d) mineral extraction,
- (e) the palm oil sector,
- (f) the fossil fuel sector.

(3) In this section—

“the current limit at the time” means—

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force.””

This new clause would prohibit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) from being in the sectors specified in subsection (2).

New clause 8—Condition for exercise of power to increase limit: prohibition on use of tax havens—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: prohibition on use of tax havens

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the condition in subsection (2) is met.

(2) That condition is that any new investment enabled by the proposed increase in the current limit at the time is not in either—

- (a) an investment entity, or
- (b) a company

which uses, or seems to the Secretary of State likely to use, tax havens.

(3) In determining whether the condition in subsection (2) is met, the Secretary of State shall consider—

- (a) information provided by the OECD on countries or territories which are considered to be tax havens, and
- (b) such information as is available to the Secretary of State, whether supplied by the CDC or others, about the current location of funds of the potentially relevant entities for the purposes of subsection (2).

(4) In this section—

“the current limit at the time” means—

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force.”

This new clause would prohibit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) from going to an investment vehicle or company which uses or seems likely to use tax havens.

New clause 9—Conditions for exercise of power to increase limit: countries, poverty reduction and SDGs—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Conditions for exercise of power to increase limit: countries, poverty reduction and SDGs

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the conditions in subsection (2), (4) and (5) are met.

(2) The condition in this subsection is that any new investment in a country enabled by the proposed increase in the current limit at the time is in a country which is classified as either—

- (a) one of the least developed countries, or
- (b) one of the other low income countries.

(3) In determining the classification of a country for the purposes of subsection (2), the Secretary of State shall use the latest analytical classification of the world’s economies prepared by the World Bank.

(4) The condition in this subsection is that the Secretary of State is satisfied that any new investment enabled by the proposed increase in the current limit at the time is likely to contribute to a reduction in poverty.

(5) The condition in this subsection is that the Secretary of State is satisfied that any new investment enabled by the proposed increase in the current limit at the time is likely to contribute to achievement of the Sustainable Development Goals.

(6) In this section—

“the current limit at the time” means—

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force;

“reduction in poverty” shall have the same meaning as in section 1(1) of the International Development Act 2002; and

“the Sustainable Development Goals” means the Goals adopted at the United Nations on 25 September 2015.”

This new clause would limit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to the least developed countries and other low

income countries and require the Secretary of State to be satisfied that such new investment contributed to the reduction of poverty and the achievement of the Sustainable Development Goals.

New clause 10—Condition for exercise of power to increase limit: proportion of annual official development assistance—

“After section 15 of the Commonwealth Development Corporation Act 1999 (limit on government assistance), insert—

“15A Condition for exercise of power to increase limit: proportion of annual official development assistance

(1) The Secretary of State may only lay a draft of regulations under section 15(4) before the House of Commons if he is satisfied that the conditions in subsection (2) is met.

(2) The condition in this subsection is that the total value of any re-capitalisation of CDC enabled by the proposed increase in the current limit at the time will not, in any one calendar year, constitute more than 5% of total official development assistance.

(3) In this section—

“official development assistance” has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006;

“the current limit at the time” means —

- (a) prior to the making of any regulations under section 15(4), £6,000 million,
- (b) thereafter, the limit set in regulations made under section 15(4) then in force.”

This new clause would limit any new investment arising from any increase in the limit on government assistance under regulations under section 15(4) to 5% of official development assistance in any one calendar year.

Amendment 2, in clause 1, page 1, line 4, leave out “£6,000 million” and insert

“the amount specified in subsection (1A)”.

This amendment paves the way for amendment 3.

Amendment 5, page 1, line 4, leave out “£6,000” and insert “£4,000”.

Amendment 3, page 1, line 4, at end, insert—

“(1A) After subsection (1), insert—

“(1A) The amount specified in this subsection is whichever is the lesser of the following amounts—

- (a) £6,000 million,
- (b) £1,500 million plus the amount determined in accordance with subsection (1B).

(1B) The Secretary of State shall determine the amount for the purposes of this subsection by estimating the amount which will constitute 4% of official development assistance in the relevant period determined in accordance with subsection (1C).

(1C) That period begins with the financial year in which the Secretary of State considers that the Crown’s assistance to the Corporation (determined in accordance with subsection (2)) will exceed £1,500 and ends at the end of the fourth subsequent financial year.

(1D) For the purposes of this section, “official development assistance” has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006.”

This amendment would replace the proposed limit on government assistance under section 15 with a new amount, expressed as either £6 billion or the existing investment of £1.5 billion plus a sum not more than 4% of forecast official development assistance over a five year period, whichever is the lesser amount.

Amendment 6, page 1, line 5, leave out subsection (3).

This amendment removes the power of the Secretary of State to set a limit on government assistance above £6 billion up to £12 billion by means of secondary legislation.

Amendment 4, page 1, line 7, leave out “£12,000 million” and insert

“the amount specified in subsection (4A).

(4A) The amount specified in this subsection is whichever is the lesser of the following amounts—

- (a) £12,000 million,
- (b) the current limit at the time plus the amount determined in accordance with subsection (4B).

(4B) The Secretary of State shall determine the amount for the purposes of this subsection by estimating the amount which will constitute 4% of official development assistance in the relevant period determined in accordance with subsection (4C).

(4C) That period begins with the financial year in which the Secretary of State considers that the Crown’s assistance to the Corporation (determined in accordance with subsection (2)) will exceed the current limit at the time and ends at the end of the fourth subsequent financial year.

(4D) For the purposes of this section—

“the current limit at the time” means—

- (a) prior to the making of any regulations under subsection (4), £6,000 million,
- (b) thereafter, the limit set in regulations made under subsection (4) then in force;

“official development assistance” has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006.”

The amendment would set a new limit on the power to make regulations to increase the limit on government assistance under section 15, expressed as either £12 billion or the current limit at the time plus 4% of official development assistance over a five year period, whichever is the lesser amount.

Amendment 1, page 1, line 8, at end insert—

“(4A) The Secretary of State may not exercise the power under subsection (4) to increase the limit by more than the amount that the Secretary of State estimates is required to meet the plans for investment by CDC in the ensuing three years.”

This amendment has the effect of restricting each increase in the limit by secondary legislation to an amount necessary to support additional investment by CDC over a three year period.

Kate Osamor: Labour Members are unswerving in our belief that the UK must continue to spend 0.7% of gross national income on overseas aid. It is imperative, however, that the Government deliver this aid in a way that is accountable, ensures value for money, and delivers on the UK’s development objectives.

Although we support the aims of the Bill—it has reached Report without amendment—we remain concerned about the lack of safeguards. In new clause 2, we ask that no increase in the limit be granted without a report or business case. New clauses 3 and 9 are at the heart of the work of the Department for International Development, which leads the UK’s work to end extreme poverty. We on the Front Bench ask the Government to make sure that the Minister is satisfied that any new investment enabled by a proposed increase in the limit will have a significant impact in reducing poverty.

The Department must be at the forefront of tackling global poverty reduction. It is vital that the bolstering of CDC’s resources does not mean a reduction in funds for emergency and humanitarian aid in places such as northern Nigeria, Yemen and Syria, and in other parts of the world that face grave humanitarian crises. Will the Minister commit to ring-fencing such funds so that those in the direst need of help are able to receive it?

Long-term investment and the establishment of a sustainable economy in order to kick-start jobs and growth are, of course, crucial to any credible development programme, but a development programme should, at its core, be a coalition of long-term investment and short-term relief. The consequences of losing sight of the latter element would be grave indeed. Just as the UK has a duty to help to lay the foundations for secure, sustainable economies in the poorest areas, where investment is a risk that few are willing to take, the UK also has a duty to assist those who bear the full force of conflict, climate change and food insecurity.

As was laid out on Second Reading, transparency should be the driving force behind any shift in the focus of the aid budget. I now speak to new clauses 4 and 8. It is vital that taxpayers’ money is spent not only effectively, but as transparently as possible. To that end, it is incumbent on the Government to put in place mechanisms that ensure maximum visibility regarding where aid money is being spent, and that minimise public scepticism. We all know that transparency is something that DFID does very well indeed.

Richard Fuller (Bedford) (Con): Before the hon. Lady moved on to the important issue of transparency, she was talking about balance. It is fair to make the point, is it not, that CDC’s proportion of our development budget for its type, as foreign direct investment, is lower, at 4%, than comparables such as the French FDI of 12% and the Dutch at 30%? For the sake of proportion, it is fair to say that even with that increase, the UK will still spend more on development aid than most of our European peers do, and the proportion of FDI will be smaller than it is for many of those peers.

Kate Osamor: The hon. Gentleman makes a valuable point, but the Bill still needs scrutiny. That is what I am laying out.

We all know that transparency is something that DFID does very well indeed. Its performance in the aid transparency index demonstrates an international gold standard in that regard. Historically, however, the same cannot be said for CDC. It is of the utmost importance that the proportion of the ODA budget that is channelled through CDC be subject to the same checks on outcomes and value for money to which DFID holds itself. New clause 4 lays down conditions that would guarantee transparent governance through an agreed framework reached with the Independent Commission for Aid Impact and CDC. Proper annual measurements of outcome would be a welcome addition to the Bill.

In relation to new clauses 1 and 8 and the issue of CDC use of separate financial centres where countries do not have sufficiently robust regulatory environments, now is the time to put on record the Government’s commitment to strengthening financial service centres in developing countries. The Opposition know that the importance of addressing and tackling CDC’s use of tax havens cannot be overstated. Although we heard assurances in Committee from Diana Noble, the chief executive of CDC, that using offshore financial centres ensures legal certainty and lessens risk for investors, far more than reassurance is needed to ensure transparency on that point. We need clear legislative safeguards, which is why the Front-Bench team will press new clause 1 to a vote. New clause 1 requires any proposal to

[Kate Osamor]

increase the limit by secondary legislation to be accompanied by a thorough analysis of CDCs use of such centres. Where the countries in question do not have sufficiently robust regulatory environments, it is the UK's job to ensure that those centres are made more robust.

Jeremy Lefroy (Stafford) (Con): The hon. Lady makes some important points. Does she agree that the changes made to CDC five years ago, under which CDC was encouraged to make direct investments in developing countries—contrary to the preceding situation, in which it made investments in funds situated offshore—were a major step forward?

Kate Osamor: The hon. Gentleman makes a valid point, and I will touch on that in my speech. Regardless of any development, we must always be robust and we must be able to show taxpayers that we have a transparent and accountable system. That is at the forefront of our objections to the Bill.

I seek assurances from the Minister of State, the hon. Member for Penrith and The Border (Rory Stewart), that he will consider supporting the implementation of such safeguards. It is of course to be applauded that the whole ethos of CDC has been transformed since it was the subject of widespread controversy some years ago. It is testimony to the organisation's willingness to change that it reacted to that criticism by becoming a more positive institution and implementing an overhaul of the systems that were in place. These efforts were praised in the most recent report by the National Audit Office, which assessed CDC's progress in implementing the recommendations that the NAO made in a report in 2008. It was heartening to read in the follow-up report that CDC has proved successful in adapting its strategy in accordance with NAO's earlier recommendations, including instituting frameworks to limit excessive pay and to refocus CDC's priorities on the world's very poorest nations, rather than investing in markets that already attract foreign investors.

Jeremy Lefroy: Will the hon. Lady give way?

Kate Osamor: No, I need to make some headway.

It was also encouraging to learn that CDC has not only met but exceeded the targets agreed with DFID relating to its financial performance and development impact, and has improved its procedures for documenting fraud and corruption. Although we on the Front Bench praise CDC for making those changes, we must not forget that the recent NAO report was by no means unequivocally positive, and that it highlighted significant areas for improvement. Allow me to quote directly from a passage in the report examining the efficiency of CDC's methods of capturing its development impact:

"It remains a significant challenge for CDC to demonstrate its ultimate objective of creating jobs and making a lasting difference to people's lives in some of the world's poorest places. Given the Department's plans to invest further in CDC, a clearer picture of actual development impact would help to demonstrate the value for money of the Department's investment."

That is quite some statement. According to the NAO, it is "a significant challenge" for CDC to demonstrate how effectively it does the very thing it was set up to do.

Fiona Bruce (Congleton) (Con): The hon. Lady refers to a quote about the challenges of capturing impact. That is an ongoing challenge in all aid work. In terms of efficiency, which is what she is referring to, the NAO report concluded:

"Through tighter cost control, strengthened corporate governance and closer alignment with the Department's objectives, CDC now has an efficient and economic operating model."

Does the hon. Lady agree that that is a testament to the improvements that have been made to CDC's work over the last few years?

Kate Osamor: I said in my opening remarks that CDC has improved, but the report says that it is still very hard to know and to demonstrate the impact of development, and work on that still needs to be done. The report is not totally scathing, but we must pick up such objections. If CDC was transparent, I am sure Labour Members would not have to stand up in the Chamber and say what we are now saying.

New clause 7, tabled by my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), lays down conditions about investing only in certain sectors and about not investing in sectors that provide little or no development impact in ending poverty. These sectors include the fossil fuel sector, the primary education and healthcare sectors that charge at the point of contact, the building of real estate, mineral extraction and work in the palm oil sector. If DFID's investment in CDC is to increase the level proposed in the Bill, this challenge must be urgently addressed and resolved.

In spite of CDC's very welcome improvements, the NAO's recommendations show that we should not forget that it remains very much a work in progress for this organisation to demonstrate transparently and robustly that it is achieving its objectives. With that in mind, we cannot regard the Bill as the end of the process. There is no room for complacency within CDC or DFID on the need to alter the organisation's processes further to ensure and to demonstrate the delivery of its goals. Given the scale of the proposed increase in DFID funding—from a limit of £1.5 billion to one of £6 billion—and the resulting consequences both for the UK's development programme and indeed for the developing countries it supports, it is right that the Bill is robustly challenged and meticulously scrutinised where it is found lacking, and that stringent precautions are appended to it where necessary.

New clause 10 lays out that any proposed increase in the current limit would not in any one calendar year constitute more than 5% of total official development assistance.

Wendy Morton (Aldridge-Brownhills) (Con): I want to take the hon. Lady back to new clause 7—I tried to intervene earlier—when she listed the sectors that she feels should be excluded. Does she not agree, however, that by specifically mentioning

"education providers that charge the end user"

as an exception, she risks children in some of the most underprivileged communities not being able to access education? From some Select Committee work, we know that such means are the only way of getting education for many of these children.

Kate Osamor: The hon. Lady makes a valid point, but I am talking about private education, for which someone with no money would have to pay. I do not think we should support that in a developing country, because we do not do it in this country. If someone wants to pay to go to university, there are challenges in relation to that, but I am talking, ideally, about primary education.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): New clause 7 is in my name, and I will speak about it in due course. Does my hon. Friend agree that there is an important choice for DFID to make? It previously invested significantly in promoting free healthcare and education—making it available to all people, and removing such user fees—so to allow the CDC to continue to invest in private, fee-paying education is a significant shift away from the work the Department did in the past.

Kate Osamor: My hon. Friend makes a valid point, with which I totally agree.

Pauline Latham (Mid Derbyshire) (Con): Will the hon. Lady give way?

Kate Osamor: I now need to make some progress.

Labour Members remain positive about the Bill's ability to achieve its aim of improving the quality of life of people in some of the least developed countries in the world, but we believe that this can be achieved to its fullest extent only if appropriate safeguards are put in place. We retain our right to withdraw our support for the Bill if it becomes clear that the Government have not made sufficient progress.

Madam Deputy Speaker (Mrs Eleanor Laing): I call Flick Drummond.

Mrs Flick Drummond (Portsmouth South) (Con): Thank you, Madam Deputy Speaker—[*Interruption.*]

Madam Deputy Speaker: Order. It is the beginning of a new term after a long Christmas holiday, but may I remind Members that, if they want to speak, it is really easy—they just have to stand up?

Mrs Drummond: Sorry, Madam Deputy Speaker. I was expecting the Minister to respond to the first speaker, and I did not realise that I would be called next.

2.45 pm

When the House gave the Bill a Second Reading, it was striking that there was a complete disconnect between the Government and Opposition, which is very unusual on the broadly consensual area of overseas development. There is a real divide, and we can see it in the nature of the Opposition new clauses and amendments that have been tabled.

New clauses 1 and 8 would massively restrict the Secretary of State's ability to drive forward the CDC. The Bill is the first stage in a process, of which the House will have oversight throughout, of boosting an existing proven aid delivery mechanism. The Bill will enable DFID, if it is given a clear business case by the CDC, to provide it with the necessary funding. It does

not automatically give the CDC any money, and this is only the first in a series of checks and balances that are gone through before any money is provided. The target of these new clauses, which would restrict the CDC's ability to use external financial sectors, is misplaced. One of the CDC's aims is to help markets to develop, and what so often holds back the development of market sectors in poorer countries is the lack of a way to get in the seedcorn investment to start with.

The CDC has never invested in a particular way to dodge tax or get round a regulatory framework, and the concern that it would do so seems to me to be misplaced. The financial and regulatory frameworks of developing countries will never develop if we treat them with such suspicion and starve them of investment. The purpose of the CDC is to go into places where conventional investors may fear to tread. We should not be trying to prevent that in legislation. I hope for a time when the regulatory system will be robust enough that we do not have to use offshore centres, but we are not yet at that point.

Stephen Doughty: I am listening with interest to the hon. Lady's point, but does she not accept that there is a bit of a double standard? The Secretary of State issued a letter on 16 December to other DFID suppliers—institutions, non-governmental organisations and people in receipt of our aid money—making it very clear that they should not invest in tax havens, yet she seems unwilling to apply the same to the CDC, which is also in receipt of taxpayers' funding. Is that not a double standard?

Mrs Drummond: No, because we are investing in very difficult areas where robust systems may not already be in place, plus the CDC has very clear guidelines about where the money is going, so we can track it much more easily than we can with other aid agencies.

Jeremy Lefroy: Does my hon. Friend agree that the issue is not so much about offshore centres being invested in by funds from a variety of jurisdictions, but about the tax paid in-country for activities undertaken in that country? In that respect, the investments made by the CDC are excellent and provide major tax revenues of billions of dollars a year for those country's Treasuries.

Mrs Drummond: I thank my hon. Friend for his very clear explanation, which beefs up what I have said.

On the case for raising investment limits, amendments 1, 3 and 6 and new clauses 2, 5 and 10 would hamper the CDC in the same way. We have already extensively debated the need to increase the limit, and we have had assurances from the Minister and the CDC that business cases for further capital will be clearly made. We will have the full strategy document this year, backed by an analysis from the CDC of the development impact. We will have both before any additional money goes through the CDC.

On the focus of spending, I agree with my hon. Friend the Minister that the question of which specific investments are made must be delegated to DFID and the CDC. That would give the Government oversight and ensure that sustainable development goals are at the heart of the investment. Putting countries or, indeed,

[Mrs Drummond]

limiting sectors in legislation would make delivering the development process cumbersome, and I believe that it would hobble the CDC.

Pauline Latham: Does my hon. Friend agree that supporting the CDC is absolutely vital if we are to achieve the global sustainable development goals by 2030? We need to mobilise the private sector to fill an annual financing gap of about \$2.5 trillion every year.

Mrs Drummond: My hon. Friend makes an excellent point. One reason that I am so passionate about the CDC is that we need to build the capacity of developing countries. In my first speech on this subject, I said give a man fish and he will eat it, but give him a fishing rod and he is set for life. That is exactly the philosophy behind the CDC that I am so keen on.

There are circumstances in which some relatively more developed countries are host to companies involved in much poorer ones. As with the misplaced fears about offshore financial centres, we should not close off any path to investment and development. New clauses 3, 4, 6 and 9 all fail in that respect. All the amendments before us share a fundamental weakness and a misunderstanding of the CDC's role in the world. We put less of our development investment through the CDC than other countries do through their equivalent bodies, as my hon. Friend the Member for Bedford (Richard Fuller) mentioned earlier. We should be doing more through the CDC if we want to develop mature and robust market economies in the developing world, which is why I welcome the Bill.

Markets are transparent and flexible, and they empower people who take part in them. The aim of our development policy should always be to encourage self-sufficiency and the development of market economies. As I said in my first contribution on the Bill, the CDC is transparent, as the NAO report agreed. I champion the CDC's philosophy of enabling people to build their own businesses, rather than handing out grants. It is an efficient and transparent model, and we should all give the Bill our wholehearted support and continue to be a major investor in improving the lives of our fellow citizens in developing countries.

Patrick Grady (Glasgow North) (SNP): I will speak to amendment 3 and new clause 6, which are in my name, and I will offer support for the Labour party's amendments that I have added my name to.

Nobody here is arguing that the CDC should not exist. We all recognise there is a role for development finance and private investment. As I noted on Second Reading, the Scottish Government have just set up their own investment mechanism in Malawi. But even if we wanted to change some of the deeper fundamentals, that is not in the scope of the Bill. The Government, probably deliberately, have presented a very narrow Bill with the aim of increasing the statutory limit of their investment. Therefore, by definition, that is what our amendments must focus on.

I hope that the Government will see—certainly in the amendments I have tabled and, I think, in the Labour ones—that we have tried to respond to and take on board some of their concerns about some of our

amendments in Committee. It is up to the Government to respond and indicate how they will take our concerns on board. We all want to work constructively with the Government on the Bill. We want to recognise and maintain the consensus on the importance of aid, our commitment to 0.7% and the effective use of those resources.

Amendment 3, which is in my name, and amendments 2 and 4, which are contingent on it, gets to the heart of the technical aspect of the Bill: what the cap on investment in the CDC should be. The Government have been repeatedly asked for their reasons behind the figures of £6 billion and £12 billion in the Bill, and I am afraid that they have still come up short. The best we have heard is that this is roughly what they think is needed, or could be managed, over the coming years. In the lifetime of this Parliament, that could still equate to an additional £1.5 billion to £2 billion a year of investment from the official development assistance budget to the CDC. As we have repeatedly said, every penny invested in the CDC is a penny not invested in other mainstream, grassroots and not-for-profit development projects and support.

On Second Reading, I asked about the use of a formula to link the cap with overall ODA budgets, and I proposed such a formula in Committee. The Minister's first concern about a formula was that it would blur the line between stock and flow. But the aid budget is a flow. It goes up and it can, theoretically, go down as well. I recognise that the CDC investment is a stock: once funds are transferred, that is where they stay and they remain part of the overall capital fund. However, the formula would ask the Government, each time they want to disburse funds to CDC, to calculate how those funds will relate to overall aid spending in the coming years.

The Minister's second concern was that my formula in Committee effectively discounted the £1.5 billion already invested in the CDC. Amendment 3 and the contingent amendments take that into account. By my calculations, based on figures from the Library, this formula would still allow the Government to invest an extra £3 billion, or a total of £4.5 billion, in the CDC by 2021. Even if the Government will not accept the amendment and we cannot persuade enough of their Back Benchers to join us in the Lobby to support it, I hope that they will commit to recognising that the £6 billion figure currently stated in the legislation is a maximum and that any additional investment they intend to make will ultimately reflect the ebb and flow of overall ODA calculations in any given spending round.

Irrespective of the caps and limits, much concern has been expressed throughout the passage of the Bill over how some aspects of the CDC's resources have been spent in the past and how they will continue to be spent in the future. That is what I seek to address with new clause 6, which is particularly important in the context of increasing—potentially quadrupling—the overall resources available to the CDC. I welcome the range of amendments in Committee and here today that attempt to place various conditions on the exercise of the power to increase the limit.

As I said at the start, owing to the scope of the Bill, my amendments and those of Labour Members must relate to the increase in the limit from £6 billion to £12 billion under the terms of section 15(4) of the

Commonwealth Development Corporation Act 1999. Try as we might, it has not been possible to find a way to attach conditions to the investment of up to £6 billion. The Government have indicated that the timetable for using the statutory instrument powers would be some way in the distance, so it is not unreasonable to suggest that there should be some kind of conditionality and review process before those powers are used, especially given that we will apparently have so much time to prepare.

New clause 6 combines two conditions I called for in Committee: before the Government could increase the limit of their investment, the Secretary of State would be required to make an assessment of how an increased limit would contribute to a reduction in poverty, which is the statutory aim of ODA in the International Development Act 2002, and how that increase would help to meet the sustainable development goals. The Government have repeatedly argued that the CDC is doing both those things very effectively, in which case this is hardly an onerous request, but the new clause would have the effect of making it much clearer that this is the CDC's overall purpose and that commercial gain, returns on investment and even raw figures on the number of jobs created are not an end in themselves, but only the means to the end of reducing poverty and building a more stable and secure world. Again, the responsibility is on the Government, if they will not accept our amendments, at least to acknowledge the concerns being expressed and to give commitments to show in any business case they publish for further investment how the key pillars of poverty reduction and the global sustainable development goals will be advanced.

I briefly speak in favour of, and indicate the Scottish National party's support for, the range of thoughtful amendments tabled by the Labour shadow team and by the hon. Member for Cardiff South and Penarth (Stephen Doughty), who serves on the Select Committee on International Development. I welcome the fact that there has been cross-party support for the amendments and suggest that the Government pay attention to that. There remains consensus in this House and across the country in support of the principle of aid, the 0.7% target and, of course, the effective use of that aid. Many of Labour's amendments, as the hon. Member for Edmonton (Kate Osamor) said, simply ask DFID to hold the CDC to the same standards that the Government now demand of their external stakeholders. Their recent bilateral and multilateral development reviews were pretty much unilateral declarations of everything that was terrible and wasteful on the part of so many of their stakeholders and demanded that the highest standards of efficiency, impact and transparency be applied to them. It stands to reason that those standards should also be demanded of the CDC.

A Government who say they want to crack down on tax dodging should not be allowing an agency of which they are the sole stakeholder to be making use of offshore tax havens. A Government who want value for money and clear impact from their aid budget should not be afraid to ask for reporting on exactly those areas. My colleagues and I will be happy to join the Labour party, hon. Members from other Opposition parties, and any Conservative Member persuaded of the case in the Lobby in support of any amendments they wish to press.

I said on Second Reading that it was disappointing that the scope of the Bill was so narrow. The Government had the opportunity to widen the scope to strengthen the CDC's effectiveness, transparency and accountability. They also had that opportunity with the substantial and, in some cases, creative amendments that have been proposed by Opposition Members from different parties. If Ministers continue to indicate an unwillingness to accept amendments—it is disappointing that they did not table any of their own to reflect the concerns raised by Members—they must give the strongest possible commitments now in response to the concerns we have raised. The Government must recognise, as the Labour Front Bench spokesperson said, that this is the beginning, and not the end, of a process.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): I call Richard Fuller.

3 pm

Richard Fuller: Thank you very much, Madam Deputy Speaker. I am taking absolutely to heart your suggestion that, this being the new year, we have to stand up to get the chance to speak.

I would like to start by thanking all the members of staff at the CDC for the work they do on behalf of British taxpayers and, more importantly, for the people who depend on the CDC for their employment in many of the most troubled and difficult countries in the world. Over the past few weeks, the CDC has been the subject of much ill-founded and hostile criticism, and that must make its job much, much harder, so it is important to put on record our support for the work they do in helping to achieve our country's development goals.

I would also like to thank the Front-Bench spokesman for the Labour party, the hon. Member for Edmonton (Kate Osamor). She did a very good job in putting forward some points of scrutiny and in holding back on some of the wilder suggestions that might have been foisted on her in order to batter the Bill. The fact that historically there has been a cross-party consensus—given what she has said, it continues—on the valuable role of the CDC in achieving our development goals is important. It is a long-standing institution in our country; it is part of the British brand internationally, and she has done a great service today by focusing on the one amendment she wishes to press to a vote but pushing back on other ideas, which other Opposition Members might have asked her to press.

Pauline Latham: I am sure my hon. Friend is aware that the CDC last year upped its investment rate to \$1.5 billion, which is the level projected for the next five years. Does that investment rate show that recapitalisation is not about some supposed new direction for the CDC but about allowing the good work it has done under its management to continue?

Richard Fuller: My hon. Friend is absolutely right. We have to be clear what is being proposed today. The proposal is not to do more than is being done now, but to enable the CDC to continue to do what it is doing now. If we were to take some of the suggestions from

[Richard Fuller]

the SNP and others, that might imply that that support should be reduced in the future, and that would be to the detriment of the countries affected and the British taxpayer.

Patrick Grady: ODA flows and gross national income can go up or down, so if, for some reason, GNI were to contract, and the ODA budget were to contract, surely it would make sense for the amount of overall capital investment in the CDC to contract so that more money was available for the traditional aid flows.

Richard Fuller: That is the hon. Gentleman's point of view, but it is not my point of view, and I will come to the point about balance in a minute.

A general view of the amendments is that they seek to solve problems that do not exist, but that may exist. Statute is not the right way to approach such circumstances; that is a matter for oversight and scrutiny by the departmental Ministers and by us here in Parliament on behalf of our taxpayers—it is not about putting things into Bills. On that basis, I will oppose every amendment that has been proposed today.

There would be some validity to the amendments if there was a question about this aspect of foreign direct investment being unusually large. There might be something to them if the CDC had a poor investment record because it was losing shed loads of taxpayers' money by making poor investments, if it was clearly ignoring development goals and was being held to account in reports for doing that, or if a problem in reporting oversight was evident and explained in various reports. However, not a single one of those conditions pertains to the circumstances of the CDC, so there is no a priori reason to put these amendments in place.

As I mentioned earlier, the proportion of our development budget that goes to our development finance institution—the CDC—is 4% if taken over five years, which is the usual investment period for a fund. That compares to PROPARCO of France, which has 12% of the development budget; DEG in Germany, which has 8% of the budget; and FMO in Holland, which is a very successful DFI, and which has 30% of the budget. So we are not unusually large—we are actually unusually small. In terms of such initiatives, we should be looking for a measured and slow increase in our ability to invest, so that we can play a fuller role. So I do not think that the point about that really holds.

The point about the poor investment record does not hold either. I have the numbers here, and the truth of the matter is that in terms of its annual return—this is a commercial return, and we have to understand that there are commercial returns for funds—the CDC was set a target of 3.5%, and it achieved 7.8% over the past five years. So there are not really grounds for saying that it is a poor performer in terms of its core function of investing on a commercial basis or that it is doing something untoward.

On the missing development goals, I understand that there is a bit of a laundry list of sectors that the hon. Member for Cardiff South and Penarth (Stephen Doughty) wishes to turn his nose up to. I have no idea whether the list in his new clause is a full list or whether it just contains things he does not like. One of my hon. Friends

made a good point about why there are good reasons to support parts of them. We will hear from the hon. Gentleman in a minute, and I am sure he will make an excellent case for that laundry list. However, in the meantime, I would say that there is not really any evidence of the CDC missing its development goals. Even the National Audit Office report mentioned that the CDC had met the targets for its financial performance, which was point 11 in its summary. In point 12, it said that the

“CDC has exceeded the target for prospective development impact it agreed with the Department.”

So there is no basis in that respect for the amendments.

Are there concerns about reporting for CDC? There may be, but I have not heard them. I cannot point to something that says there are concerns. I do not think that we have heard concerns about reporting on Second Reading, in the evidence stages or today. There may be additional pieces of information we wish to have, and they are listed in some of the amendments, but no real concerns have been raised that these things have not been provided in the past and that we should therefore ensure that the CDC provides them. Therefore, on the issue of whether there is a problem at the CDC that the amendments are needed to correct, there is no justification for the amendments whatever.

We have to be clear about what the role of tax havens has been. The hon. Member for Edmonton was very fair in pointing out that the CDC's chief executive had made it clear that the CDC does not use tax havens in its policies, and the chief executive explained where those are used and why they are used. I am perfectly happy to rest on the judgment of the CDC, on its governance structures and on the oversight by the Department to make sure that that continues. I do not need to put a statutory underpinning on that. I also do not see that there is a problem at the moment in terms of the CDC having wandered off from what it said it would do. If there was such a problem, I would say, “Okay, maybe it is time for statute,” but the hon. Lady has not presented—maybe others will—a recent concern where that has happened. Therefore, I cannot see a reason for supporting new clause 1, although I understand that she wants to put it to a vote. I think we broadly accept—from that point of view, having a discussion about this is perhaps valuable—that there should be a strong message from Parliament about the use of tax havens and about what is and is not appropriate. If that is her intention, that is a perfectly reasonable point for her to make.

The CDC is a valuable institution. It has support from both sides of the House. I look forward to having further discussion on the amendments and then supporting the Bill on Third Reading.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): In July last year, as part of our ongoing inquiry, the International Development Committee visited the Democratic Republic of the Congo. As part of that, we went to see a hydroelectric power plant in the Virunga national park, which has been part-funded by the CDC. It is reinvesting a proportion of its earnings into community development projects and protecting the environment. The plant is bringing electricity to a region in which only 15% of the population has previously had access to power, and it has the potential to generate millions of

dollars each year and thousands of jobs for local communities. I cite that because such projects are impressive and demonstrate the positive impact that the CDC is already having.

Pauline Latham: As the hon. Gentleman knows, I was also on that visit, and that is probably one of the most impressive projects I have ever seen. It provides light to so many people in the DRC who so desperately need it. Those are just the sorts of projects we have talked about and said that the CDC should be investing in more, because they create jobs and make life better for so many more people.

Stephen Twigg: The hon. Lady is a highly valued member of the International Development Committee and I agree with her. The purpose of my remarks on Report this afternoon is to reinforce the point she made. Those are positive projects. We want to ensure that the high-quality we saw in that example in Congo becomes the norm for all the CDC's investments, particularly as the limit is increased, which I will come to in a moment.

The private sector provides around nine out of every 10 jobs in developing countries. Its development and success is vital in helping countries to achieve sustainable and long-term development. I therefore believe it makes sense to increase the CDC's investment threshold.

Poverty reduction must be at the heart of the Government's development agenda, which must explicitly include the work of the CDC. In 2011, the predecessor International Development Committee produced a report, "The Future of CDC", as the group approached its then cap of £1.5 billion, as set out in the Commonwealth Development Corporation Act 1999. The Committee's report concluded that the CDC's mandate should be changed to a specific focus on poverty alleviation. Given that job creation is one of the very best ways to reduce poverty, it is important that the Government have a development investment arm that will help poorer countries to create new and innovative jobs.

As has been said by Members on both sides of the House, the CDC made significant changes following the 2008 National Audit Office report and the 2011 International Development Committee report in line with recommendations to move towards a focus on the alleviation of poverty. As has also been said, those changes were reviewed recently by a further NAO report released just before Second Reading of the Bill in November 2016. The report was mostly positive, and noted that the 2012 to 2016 investment strategy shifted the CDC's investment focus to poorer countries, which is welcome. The report noted that the CDC had exceeded the targets agreed with DFID relating to financial performance and development impact. However, it also said that the CDC should do more to measure the development impact of its investments. That would not only provide a better basis for investment decisions, but increase the transparency of the CDC.

Poverty alleviation is absolutely central if we are to make a success of the global goals—the sustainable development goals agreed in 2015. Africa needs to generate 15 million new jobs every year if it is to achieve its global goals. That can be achieved only by working with the private sector, including organisations such as CDC. CDC has helped to create nearly 25,000 jobs in Africa and south Asia directly, and it says it has helped

to create more than 1 million jobs indirectly. The businesses in its portfolio support around 18 million jobs. I am therefore happy to see the increase in the threshold, but I have a number of concerns to which I should like the Minister to respond.

Mark Field (Cities of London and Westminster) (Con): The hon. Gentleman will know that I respect not only his passion, but the balanced way in which he deals with CDC issues. Does he share my concern that we risk having a more prescriptive approach towards the CDC, which is a part-private sector organisation, than we have towards a range of non-governmental organisations that are beneficiaries of large-scale DFID programmes, which might be somewhat distorting? Although he makes valid points about the concerns, if we are to hamstring CDC in the way that one or two of the proposals would have us do, it would be an undesirable outcome for DFID.

Stephen Twigg: I am certainly not arguing for prescriptions to be applied to the CDC that would not be applied to other organisations funded by DFID. My hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) has made the valid point that, shortly before Christmas, the Secretary of State set out a number of conditions for suppliers to the Department, and that they should apply to the CDC. I am emphasising my support for the proposal to put poverty reduction at the heart of the CDC. All hon. Members would agree that that should be at the heart of the Government's entire development and aid strategy, including DFID. I can plead not guilty to the charge that the right hon. Gentleman puts to me. I am not proposing in any sense to hamstring the CDC. I am certainly not proposing, and I do not believe the Opposition amendments seek, to impose any restriction on the CDC that would be out of step with the restrictions we apply to other bodies funded through overseas development assistance.

3.15 pm

Stephen Doughty: My hon. Friend makes a strong point, which is very much the point. The proposals are about bringing the CDC more in line with DFID's overall priority countries and sectors, and with the restrictions placed on other UK aid money.

Stephen Twigg: I agree with my hon. Friend. I have read what the Minister said in Committee—reassurance can be gained from it—but I look forward to hearing him again today. It is very important that we have a sense that, with a very substantial increase in the potential money going through the CDC, we will ensure that it is geared towards poverty reduction wherever it is invested. As my hon. Friend rightly points out, part of that is the question of which parts of the world and which countries the CDC will invest in. Investments in some countries can deliver a lot more jobs and poverty reduction than investments in others.

As I have said, I am happy with an increase in the investment threshold, but we must ensure that the money is spent wisely. The 2012 to 2016 investment plan has expired and we are yet to see the 2017 to 2021 investment plan. I suggest that it would have been beneficial for the Bill, the Government and the CDC if Parliament had seen the plans for the next four years of investment

[Stephen Twigg]

before it was asked to raise the investment threshold. The amendment from my hon. Friend the shadow Secretary of State would ensure that, if the Government introduce regulations further to increase the limit, they would have to be preceded by a detailed plan of investment from the CDC that could be scrutinised by Parliament. I welcome and support that amendment.

Wes Streeting (Ilford North) (Lab): Successive Governments can be proud of the role played by DFID in improving lives and the economies of some of the world's poorest countries but, in light of much of the public debate on international development spending, much of what my hon. Friend says on parliamentary scrutiny is correct in principle. Does he agree that that is absolutely essential for maintaining and building public confidence in international development spending?

Stephen Twigg: I absolutely agree with what my hon. Friend says, which chimes with my conclusion on the importance of scrutiny of both the CDC and the Government, including scrutiny by the House.

Mark Field: I have a lot of sympathy for what the hon. Gentleman says—in the context of the debate it would be useful to have an idea of the programmes that the CDC has in mind for the future. I hope that, when the Bill goes to another place, there is another opportunity to have one. However, does he recognise that, given the nature of the CDC's expertise and experience, it might to an extent have slightly different goals from other NGOs who receive DFID money? In other words, given the CDC's expertise, particularly its private sector expertise and experience, the absolute predominance of the alleviation of poverty could in some cases not entirely apply to everything it does.

Stephen Twigg: The focus and priority needs to be on poverty alleviation. At the beginning of my speech, I gave the example of a project we visited—the hon. Member for Mid Derbyshire (Pauline Latham) reinforced the point. That project undoubtedly delivered things beyond poverty reduction, but at the heart of that investment and its impact was the reduction of poverty. Keeping the reduction of poverty in mind is a useful lodestar for DFID when it approaches the work of the CDC. I would need some persuading that a project should be funded that did not have some connection to the alleviation and reduction of poverty.

Let me now turn to the issues of scrutiny that were referred to by my hon. Friend the Member for Ilford North (Wes Streeting). The recent NAO report, as was rightly said by the hon. Member for Bedford (Richard Fuller), revealed that the target development impact score is on average being met, but only on average. The CDC is making some investments that fall below the target. Some 23% of investments since 2013 have fallen below the target score based on their investment difficulty and propensity to generate employment. Given that the objective stated in the CDC's current investment policy is to

“focus its investments into the geographies and sectors where there is the most potential for development impact”,

it is unclear why the CDC is investing in projects that achieve lower scores. So I say to the Minister that, along with a more robust approach to measuring development impact, I would like a minimum threshold for impact implemented in the new investment strategy.

As with all DFID spending—and, indeed, broader aid spending by other Government Departments—the International Development Committee will scrutinise very closely the CDC's work in the months and years ahead. It is vital that we ensure the British taxpayer gets value for money for every pound spent on international development. As has been said on all sides of the House, the CDC has become more transparent following the Committee's 2011 report and the NAO report in 2008, but more can still be done to ensure that money is being spent as well as possible. One way that could be achieved—I ask the Minister to explore this—is to allow the Independent Commission for Aid Impact to play a bigger role, for example carrying out a regular assessment of CDC investments, allowing scrutiny so we can really ensure full effectiveness and value for money of the programmes in which the CDC invests.

I think we can say that the CDC has been a world leader among development finance institutions in publishing details of its investments since 2012 under the International Aid Transparency Initiative. That is very welcome, but I suggest it would improve transparency further if it published similar details on its entire active investment portfolio, including those made prior to 2012. I ask the Minister to address that point when he responds to the debate. That would enable greater scrutiny of the CDC's entire portfolio and hopefully provide assurance to the public that all the CDC investments are focused where they need to be: on the goal of poverty reduction.

In conclusion, I believe that the CDC has helped the UK to be a leader in global development, but as with any area of Government spending we need to ensure that every penny is going where it can have the greatest effect: the right places and the right people delivering value for money for the taxpayer. One way to achieve that is by regular scrutiny of the CDC, including by Parliament. I give a commitment that the International Development Committee will play its role in ensuring that we scrutinise and hold to account both the Department and the CDC as the additional money is allocated. Most importantly, as with all areas of development spending, we need to ensure that the ultimate goal is poverty alleviation and eradication, and that we never lose focus on that.

Paul Scully (Sutton and Cheam) (Con): Thank you, Madam Deputy Speaker. I am grateful for your generosity in allowing me to contribute for a short time.

The CDC has a really important discrete role in our international development portfolio. There are few organisations with the skills and abilities to manage such risk in the most difficult markets. Often, it will bring an economic frontier country, area or sector the opportunities leading towards a risk profile that more established and traditional investment vehicles can get involved in. That is to be welcomed. It supports more than 1,200 businesses in more than 70 developing countries to create jobs.

We discussed a number of issues in Committee, including the fact that investments are not necessarily direct. Amendments tabled both in Committee and on Report

address whether that serves to divert resources from the least-developed countries. I would say that it is sometimes necessary to invest in opportunities in other countries as long as the outcomes go to the most needy and the least-developed countries. At the end of the day, that is what we are trying to do with our international development effort.

As many Members have said, it is important to concentrate on our core goals and the SDGs. In Committee, the Minister was explicit in saying he did not believe we needed more legislation. The International Development (Official Development Assistance Target) Act 2015 already enshrines in legislation the need to focus on poverty reduction and the SDGs, and they are already enshrined in DFID's own principles and processes, so I do not believe that we need to have yet more primary legislation.

On the limits referred to in relation to some of the amendments, we have to remember this is effectively an enabling Bill, which is why it is so short. It is not an immediate call to spend. It is not a case of saying, "Here's £6 billion tomorrow and then we're going to raise it further the day after." The Bill simply seeks to bring the CDC in line with other organisations that have similar requests of Departments. In Committee, the Minister said that any requests for money would have to be subject to DFID's strategy and have to have a robust business plan that was considered fully before any money was handed over. That can easily be done on a departmental level. I totally agree with my colleague and Chair of the International Development Committee, the hon. Member for Liverpool, West Derby (Stephen Twigg). As a new Member, I look forward to being able to scrutinise the work of CDC.

I note that the CDC has changed. I agree with my hon. Friend the Member for Bedford (Richard Fuller) that some amendments address problems that may not occur or rehearse old problems from before 2010 when the then Secretary of State reorganised the CDC. I do not support amendments on problems that may or may not happen, or have happened in the past but have been largely sorted out. The CDC has moved from pre-2010 looking at low impact, high return investment programmes, to a far more proactive viewpoint to ensure we take into account the SDGs and poverty reduction. I will be scrutinising that along with my colleague the Chair of the Select Committee, but I will not be supporting the amendments, for the reasons I have set out. This can best be done at Department and Committee level through post and pre-decision scrutiny. In conclusion, I look forward to the Bill becoming an Act.

Stephen Doughty: I rise to speak in favour of new clause 7 and the other new clauses and amendments in my name and those of my right hon. and hon. Friends.

It is fantastic to see so great a consensus in the room around the 0.7% aid target and Britain's role in international development—in contrast, perhaps, to the shriller debate in the media in recent weeks. It might surprise those hon. Members who have criticised my amendments that there is actually much agreement around the role of CDC; I believe it has a vital role to play—I made this clear in Committee, as I am sure the Minister would acknowledge—in the wider portfolio of our international development effort and in the spending of our official development assistance.

I would like to thank my fellow Co-operative party MPs and the shadow Front-Bench team, as well as other Members from across the House, for adding their names to many of my amendments. It shows the level of very reasonable concern around the many unanswered questions concerning the priorities and operations of CDC. Those questions need to be addressed before we can countenance such a large increase in the official development assistance resources it receives from DFID. I am not suggesting that CDC should not get any more resources—it has reached the cap of £1.5 billion set in 1999 and clearly needs some increase and headroom to expand its activities—but it is worth recognising that it has coped well by recycling resources within itself, partly thanks to some of the investment successes it has enjoyed.

3.30 pm

Fundamentally, this debate is about choices when it comes to spending these precious and relatively small amounts of development assistance. We have a wide range of routes by which we can spend the money. We can spend it bilaterally; through multilateral agencies; through NGOs; through joint work with other Departments; and through vehicles such as CDC. For me, however, the fundamental question is about the balance between, and the coherence of, all those things. Are we coherent in terms of the countries in which we operate, the ways in which we operate, the sectors in which we operate and, as the Chair of the Select Committee, my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), just said, in the focus on poverty eradication for those who most need it?

Clearly, we cannot address all the concerns on Report today, and I do not want to reiterate too much the arguments made in Committee and on Second Reading, so I will speak only briefly to my amendments, some of which are probing amendments seeking clearer answers from the Minister about the Government's plans. He said some helpful things in Committee that I hope he can elaborate on further. I want to focus today on three main areas: first, the volume of the Government's proposed new investment for CDC; secondly, CDC's continued use of tax havens; and, thirdly, its continued investment in sectors that do not appear to cohere with—indeed, often appear to run counter to—the wider agenda of our development spending. It is absolutely right that we are able to question these things.

CDC needed only £1.5 billion of capital investment from the UK Government between 1999 and 2016, and therein lies my fundamental concern: how can we justify upping the cap to £6 billion and then to £12 billion by statutory instrument? The Minister made some helpful comments in Committee confirming that it would not all happen in one year but would be spread over a longer period, but the fact remains that the explanatory notes to the Bill make it clear that this is about accelerating spending over this spending round in response to forecast market demand, although we are yet to see any of the projections of market demand.

I agree with the Chair of the Select Committee that it would have been much better had we had a clearer plan—not perhaps a detailed business plan but some assessment of the market demand in the sectors we could be investing in and of the potential development impact—before agreeing the new headroom for CDC.

The Government and CDC admitted in evidence to the Committee that it was the Government who came up with the figure; it was not a request from CDC. If there is this forecast demand and if CDC is in need of such an injection of resources—potentially a tenfold increase on its funding over the past 16 years—it strikes me as odd that this figure should have been plucked out of the air. It would have been much more helpful had the Government set out clearly the reasons for providing for a limit of £12 billion through secondary legislation.

In that regard, we have tabled some very important amendments. New clause 2, in the name of my hon. Friends on the Front Bench, rightly calls for a business case. I hope that the Minister will explain further how the process around a business case will work and what scrutiny role Parliament will have in seeking to understand what is being proposed before resources are drawn down by CDC. What scrutiny opportunities will Parliament have to ask the important questions we have all raised? Crucially, can CDC absorb this funding? We are talking about a potentially very significant increase. Were we proposing such an increase for an NGO or other multilateral development institution, there would be howls of fear around its capacity, staffing and planning processes to cope with the uplift. There is a real danger—whether it be CDC or another organisation—that if the resources it receives are massively increased without that degree of planning and staffing needed to ensure that it is done effectively and transparently, the resources can be skewed and not get used in the most effective way.

Richard Fuller: Is not the level of investment now consistent with this increase? For CDC's current level of activity to be maintained, it requires this level of increase, so cannot concerns about too rapid growth perhaps be overstated?

Stephen Doughty: I do not believe that that case has been made; there has been no justification at any point for the actual figures. To maintain CDC at its current level of activity, we need to realise that it has managed perfectly well with £1.5 billion since 1999 and has recycled it within its own budgets. If it was going up by £1.5 billion or £2 billion, I could understand it with a view to creating space for the next 10 years, but £6 billion and £12 billion seem to me to be well out of the appropriate range.

Wendy Morton: From my understanding of the Bill and on the basis of evidence given in Committee, I would like to read the quote that

“no money will go to CDC until a full business case is written in huge detail, which will be prepared in the summer of 2017.”—[*Official Report, Commonwealth Development Corporation Public Bill Committee*, 6 December 2016; c. 9.]

The suggestion that we are going to give a huge chunk of money to CDC straight away is perhaps creating an unfair impression.

Stephen Doughty: Clearly, the hon. Lady did not listen to what I was saying. I did not say that. I said that the Minister had acknowledged that it was not going to be spent in one year, which was the fear when this was initially proposed. What we are asking for in the amendments is just that clear business case. I hope that the Minister—he was nodding earlier—will be able to set out how that process and scrutiny of it will occur, which is only right. There was only limited scrutiny of the last amounts spent, which were quite significant.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): What my hon. Friend describes is, in civil service language, the ghastly phrase “absorptive capacity”. He will know that, unfortunately, the Department for International Development has allocated some funding into various World Bank trust funds that have not been fully spent with the originally envisaged timescale, suggesting that the Department is beginning to struggle to find suitable sources that can absorb its money as it wants. My hon. Friend is, in my view, right to worry aloud that this is a huge increase in money without any proven capacity to spend it.

Stephen Doughty: Indeed. My hon. Friend, one of the longest-serving Ministers at DFID, knows this only too well. He makes a very important point. I have spoken to other experts in the sector who suggest that to absorb that amount, even a doubling would be a struggle, so it certainly applies to the levels we are seeing. That is why it would be much more helpful if the Minister were clear about the schedule for this spending. What is his idea of the number of years over which this increase would be spent before we might require another Act to increase it even further?

We tabled some crucial amendments, as did SNP Members, in new clauses 3, 4 and 6 and my own new clause 9, emphasising the importance of focusing on the poorest, least developed and low-income countries and of ensuring that we remain coherent with the sustainable development goals—the global goals agreed by the UN—and focused on poverty eradication rather than other priorities.

Mr Ivan Lewis (Bury South) (Lab): My hon. Friend is making an excellent case. Has not DFID led the world on the importance of aid transparency and a focus on poverty reduction? The problem at the heart of these proposals is that there is very little prospect of transparency of how these resources are spent. Equally, there is very little ability for the Government to guarantee that the resources will be deployed and focused on poverty reduction. Is that not a matter of major concern?

Stephen Doughty: I think it is, and that gets to the point. A lot of information is provided by CDC online, and it is important to acknowledge that much of it is helpful. We can get into individual projects and see the particular spending on those individual projects. However, it is not the same when it comes to the level of spending, which is what the NAO was looking at. It is important to be able to prove prospective development impact and show where it is going.

To take just one example, the NAO looked at the issue of funding going into the health sector in India, and tried to get clear information about where the money was being spent in a particular hospital group. It looked at whether it was going to the poorest or to middle-income patients. The NAO told us in its evidence that it was going to middle-income patients, which does not strike me as a correct use of CDC's money. That is not to say that the investment is not good in and of itself—I am sure that enabling access to hospital for people in general is a good thing. The question is whether we should be spending our aid money on that. Surely we should be focusing on the poorest.

When we examine the figures in depth—they can be found in a House of Commons Library research paper—we see that although the proportion of CDC's investments in the least developed countries has increased, it is still significantly lower than the proportion of its investments in middle-income countries. As for spending in individual countries, it is a fact that in India most of CDC's money is being spent in what are known to be the richest states. The highest proportion of its investments goes to Maharashtra, which is where Mumbai is located. I am not saying that the individual investments there are not good, effective or useful; I am saying that it is a question of priorities. In Committee, it was helpful to hear the Minister speak of the possibility of a cap or restriction on funds that go to India and elsewhere in south Asia rather than to Africa. Giving evidence to the Committee, Professor Paul Collier said that he shared the concern that had been expressed about whether CDC was focusing enough resources on the poorest countries. New clause 9, for instance, relates to those issues.

The wider issue of spending routes that is raised in both the SNP's amendment 3 and our new clause 10 is crucial. We are not suggesting that CDC should not be given more money, or that it should not have a chance to expand its operations and the autonomy that it enjoys, but we believe that those elements should be in proportion to other forms of official development assistance. It is important that we introduce safeguards. By 2019-20, 6% of United Kingdom official development assistance will be spent by other Government Departments. Money goes into the prosperity fund and other Government funds, and there is often far less scrutiny and oversight than there is in DFID. That worries me, and I know that it worries other Members on both sides of the House.

We need to achieve a fair balance. CDC has its role to play in the portfolio, but that must be proportionate to other ways in which we can spend the money. We must ensure that we are pulling all the levers of development, rather than just one at the expense of others. For that reason, I am inclined to support amendment 3 if it is pressed to a vote.

I want to say something about tax havens, although I shall not do so at length, because we discussed the issue a great deal in Committee and we have also discussed it today. I find it surprising—this relates to new clauses 1 and 8—that CDC continues to use tax havens such as the Cayman islands and Mauritius. A fair point has been made about the importance of stable financial arrangements for investments. In some countries it is clearly not possible to set up arrangements within the legal structures of those countries to ensure that the right fiduciary controls are in place. However, I do not understand why we are not setting up such vehicles in England and Wales, or in other jurisdictions. Why are so many of them in the Cayman islands and Mauritius?

Moreover—I have asked parliamentary questions about this—we are paying management fees to financial services organisations, in the Cayman islands and elsewhere, that also support the far less transparent activities of other corporations and individuals. I find it deeply worrying that, whether or not there is anything untoward about an individual CDC investment, we may be indirectly supporting the flourishing of the tax avoidance and evasion that exists in overseas territories.

Mr Gareth Thomas: Is my hon. Friend aware of comments made by the Secretary of State when she was a Treasury Minister about tax evasion and the need to limit the use of tax havens? Why does the Treasury seem to be concerned about the issue, and why is DFID suddenly not concerned about it? One would have thought that, when it came to such a crucial issue, there would be joined-up government.

Stephen Doughty: That was also a great surprise to me. I referred earlier to the letter that the Secretary of State sent to many of the other DFID contractors on 16 December. That letter was very clear about tax avoidance measures and tax havens. It contained a series of criteria, most of which I think are very reasonable, and which we should expect to be observed by organisations that are benefiting from our aid spending. My question is this: why are those criteria not being applied to CDC? The Secretary of State repeatedly refused to confirm that they would be. There seems to be one rule for one organisation and a different rule for others.

Eurodad research found that 118 out of 157 fund investments made by CDC went through jurisdictions that feature in the top 20 of the Tax Justice Network's Financial Secrecy Index. That does not seem to me to be coherent with the other statements that are being made by the Government. Indeed, the will of the House has been shown by cross-party support for amendments to other Bills that would crack down on tax avoidance and evasion.

Lastly, I want to return to the issue of coherence, and I urge colleagues to support new clause 7. The hon. Member for Bedford (Richard Fuller) referred to this as some sort of laundry list and suggested I was creating hypothetical straw men that did not actually exist and was dealing with things that have happened in the past. That is not the case; I am talking about things that are happening now. It is a fact that, as data revealed to me since the Committee stage in parliamentary questions show, in 2015 alone CDC invested £56.9 million in private fee-paying education and £117.9 million in private fee-paying healthcare.

3.45 pm

The reality—I am sure hon. Members will say this; it has been alluded to already—is that there are private providers, voluntary providers and faith providers providing excellent health and education in many developing countries. That is a fact; indeed, it is how our education and health systems started out. The question, however, is: what is the priority for our spending of our money? Is it to further support and expand such fee-paying education and healthcare providers, or should it be, as I would argue, to provide free at-the-point-of-use public healthcare and education, supporting teachers' and nurses' salaries, and the development of good departments of national health and education, and removing user fees, as we in this country have done in the past, to ensure that there is access for the poorest people? Even very small user fees can be a huge disincentive, particularly to those on the lowest incomes. The evidence of individual projects—the Rainbow Hospitals trust in India that CDC has invested in, or GEMS Education, which appears to be funding private schools that charge up to £10,000 a year in Kenya—suggests that there is an incoherence between what we say we are doing and our priorities in health and education and what CDC is doing.

Another current example concerns palm oil. We have all heard about the scandals involving Feronia in the Democratic Republic of the Congo and all the concerns about this being an unsustainable product and about land grabs and human rights. Whether or not there have been improvements in that project and there are good aspects to it, it seems to me to be incongruous that we are providing taxpayers' money to invest in things that are not in line with our other objectives.

Finally, on fossil fuels, the Minister and others made important points about the importance of CDC being able to invest in energy infrastructure. We heard a good example earlier from one of my fellow Committee members about excellent investment in energy infrastructure projects in Africa, and CDC is investing in many good projects. It is odd, however, that we would continue to invest in fossil fuel-led programmes when we have our climate change objectives and we are trying to help developing countries jump over that dirty phase of development. We should be setting higher standards and prioritising and shifting resources to ensure best practice.

I am therefore keen to see new clause 7 put to a vote. It enjoys support among Members from a number of parties. I hope the Minister will be able to answer some of the concerns raised on Report before we move further with the Bill. It is right that we ask these questions. This is a large sum of money: this is not a little increase of a few million pounds here and a few millions there; this is potentially billions of pounds of spending, and a significant proportion of the international development budget, and it is only right that it receives the appropriate scrutiny.

Tommy Sheppard (Edinburgh East) (SNP): I shall speak in support of a number of the measures on the amendment paper, but first I want to make a couple of comments about the political context in which this debate is taking place. I turned on the television over the weekend to see on the tickertape at the bottom of the news channel screen the information that our Government had stopped funding a girl band in Africa. I was shocked by this—I did not realise we were funding girl bands or bands of any other kind in Africa or elsewhere—so I thought I would look into the matter a little more. Of course, on doing so, I discovered that that was not the story at all.

The story was loosely based on a project in Ethiopia called Girl Effect, which is a huge programme that is aimed at empowering young women throughout that country. It has 500 direct participants and more than 10,000 participants online, and it operates from 8,000 schools throughout the country. It is designed to use music and performing arts to give young women in that country confidence so that they can take part in Ethiopian political and social life. It is undeniably a good thing. It was set up by DFID in 2011, and every time that DFID has reviewed it, it has been given an A* rating. It is exactly the type of project that we should be supporting, but it is unusual and unconventional. It is not the same as handing out food to people who are starving, so the case needs to be made for it. We also need to be aware of how these things can be caricatured and used to argue against the provisions that we are talking about today.

That entire Girl Effect project was described in the *Daily Mail* as the British Government funding the equivalent of the Spice Girls. The implication was quite

clear: millions of pounds of our taxpayers' money was being used not to feed the poor, the starving or the illiterate, but to fund five young women and turn them into rich pop stars. That was not true. The reporting was a good example of what we might call fake news—I believe that that is the term used these days. It was connected to reality by the thinnest threads of truth, yet for many people reading the *Daily Mail* and the other papers that took up the story, or looking at the tickertape along the bottom of their screen, it created the impression that they were given.

Lots of people, including some in this Chamber who ran to the press to comment on that story, will use these caricatures to denigrate and oppose any foreign aid activity by this country. They use the ridiculous argument that we should be spending money at home before we spend it abroad, as though the poverty and inequality in this country, which we must tackle, was on a par with the hell in sub-Saharan Africa, where poverty, oppression and the daily grind are the normal way of existence for the mass of people in those countries. Knowing that those caricatures exist and that we need to be careful about how we present these arguments brings me to the new clauses and amendments before us today.

Andrew Bridgen (North West Leicestershire) (Con): The hon. Gentleman makes a good case, but considering that a third of all Ethiopian girls do not go to school, would it not be better for female empowerment if the money were spent on giving them an education? Would that not be more empowering than promoting a pop group?

Tommy Sheppard: I do not want to have a big discussion about the project, but I will respond by saying that we should do both. Of course we should also try to put money into formal education, but the importance of that project was that it understood that digital communication was a much more effective way of reaching young people in Ethiopia than the bricks and mortar of a formal educational establishment. It also understood that music and lyrics can sometimes be better than formal texts at getting through to people, educating them and inspiring them with big ideas. That is true in this country as well. Those things have contributed to the social education of young women in Ethiopia. As I said, the Department for International Development itself said that the project was worth supporting.

The important point in all these debates is that we can win public support for foreign aid and rally the public behind the 0.7% contribution, provided that we are transparent about what we are doing, and that we demonstrate at every turn that the people who are getting the money are those who really need it. It is therefore important that those criteria are demonstrated through the work of CDC Group and others, and that evidence is produced.

I am not sure which amendments and new clauses will be pressed to a Division, but I will vote for whichever ones are, because they would all strengthen the Bill. In my 20 months in this Chamber, this is the first time that I have seen a Bill come back on Report without a single Government amendment. I find that surprising. I know that the Bill is concise and brief, but given the concerns that were expressed on Second Reading about the work of CDC Group, I would have thought that the Bill

could have been tightened up a little. I hope that the Government will consider supporting some of the new clauses and amendments because they would make the Bill more efficacious in achieving its objectives.

New clause 6 states that before CDC Group gets a major uplift in funding, the case will have to be made that it is meeting the sustainable development goals and tackling poverty and inequality in the country in which the money is deployed. Let me put it another way. If a project was not tackling poverty or combating inequality, and not contributing to achieving the sustainable development goals, why on earth should we fund it? When it comes to prioritising when money is tight, we have to make sure that it is spent on what it is supposed to be spent on.

On Second Reading we discussed some of the—shall we say?—past mistakes in a number of CDC's decisions. We talked about the shopping malls, luxury hotels and other inappropriate projects in which CDC Group invested, and we were assured—by the Minister of State, I think—that those things were in the past, that we had learned from them and that they would not be repeated in the future. Well, if that is the case, what is the difficulty in building such a provision into the Bill so that when CDC gets a budget uplift, it will have an obligation to demonstrate that what that uplift is spent on will contribute to meeting these goals and fulfilling these criteria? That is self-evidently a way of ensuring that we do not rely on hope by instead writing down what, as a matter of policy, we want.

Amendments 3 and 4, to which I have put my name, would link an uplift in CDC Group's funds to the overall ODA budget. It is important to look at doing that; the formula that has been suggested is not onerous and is perfectly achievable. There is an idea abroad that what might be happening is the outsourcing or privatisation of our foreign aid activity, and that pre-eminence is given to a market approach. We will have problems if that impression is not countered, because the truth of the matter is that there is a role for spending public money to try to support the creation of a small business sector in developing countries, to invest in such sectors and to create jobs, but let us not kid ourselves. The vast bulk of our priority aid should be directed at people who need it in order to combat the malnutrition, illiteracy, poverty and starvation that are present throughout such countries. That cannot be done by setting up a small business; it needs to be done through direct state and NGO intervention. That is why we should make it clear that the vast bulk of our foreign aid effort will remain in that sphere.

Although CDC Group and the market have a contribution to make, particularly in countries that are some stages along the process of development, that will not be the primary way in which we do things. I commend amendments 3 and 4 to the House because if we were to agree to them, we would strengthen the Bill and demonstrate to people what our intentions really are: to ensure that the hard-earned taxes that they pay—people politically agree that a small slice should be deployed for foreign aid—are spent doing the things that they want to be done. Those things are combating poverty and inequality in the developing world, and making sure that we get to a more equal world society, which of course is in our long-term interest, too.

Mrs Madeleine Moon (Bridgend) (Lab): I am particularly pleased to follow the hon. Member for Edinburgh East (Tommy Sheppard). I am speaking today because of concerns brought to me by constituents, and only concerns brought to me by constituents. No NGOs have lobbied me. Constituents contacted me before Second Reading to express concern that, if the Bill were passed, we would run the real risk of aid money being spent inappropriately, and of our commitment to aid, of which we can all be proud, being undermined. I return to that concern, which I raised on Second Reading, and to what for me and my constituents are the core issues: directing the money to where it is needed most; scrutiny; and transparency.

On Second Reading, I quoted the recent NAO report on CDC. I know that has already been quoted today, but it bears listening to again. The report concluded:

“It remains a significant challenge for CDC to demonstrate its ultimate objective of creating jobs and making a lasting difference to people's lives in some of the world's poorest places. Given the Department's plans to invest further in CDC, a clearer picture of actual development impact would help to demonstrate... value for money”.

We are not getting the actual development impact promised. We cannot see what the development proposals are for the future; we are being asked to trust. Perhaps the Lords will see that, but we cannot.

4 pm

Like other Members, I accept that CDC has made changes. Its staff are motivated and hard-working, and improvements have been made since the negative reporting of 2008 and 2011. However, as the Bill stands, Parliament will have little direct opportunity to scrutinise in detail where funds are being directed and whether they are used for the greatest benefit of those in need. Let me go through some of the examples that have been brought to me.

In education, we have seen the use of the “school in a box” model, where large classes are taught by unqualified, low-wage teachers, with technology being used to teach standardised lessons. CDC has invested in the expansion of such schools in Kenya, Uganda and Liberia, through Bridge International Academies, to the tune of between \$6 million and \$15 million. The model, however, offers no guarantee of quality education and has been criticised by the UN special rapporteur on the right to education for, in essence, privatising education. In Uganda, 63 Bridge academies were forced to close following a court ruling, which found, among other things, that education and legal standards regarding the use of certified teachers, an accredited curriculum and appropriate teaching models had been neglected.

We have heard a good example about a utility development in the Democratic Republic of the Congo. CDC established a company called Umeme in 2005 to run Uganda's electricity distribution following privatisation. The company has been highlighted as an example of the positive impact that such an initiative can have. The experience of Ugandans, however, does not chime with that, as power outages are reported to be regular and prices are high. The public services international research unit at the University of Greenwich noted that “Umeme was rated as one of the most corrupt institutions in the country by a Transparency International survey.”

On healthcare, a Unison-commissioned study found that the majority of CDC healthcare investments in India are in privately funded, fee-paying hospitals, many of which target international medical tourists. The knock-on effect of that is obvious: publicly funded healthcare suffers and low-income groups who need medical attention are denied access. As I have said, we have been told that CDC operations have improved considerably over the past few years, but giving it free rein to invest, with no conditions attached, is far from ideal. If we are to be standard bearers in international development, we need to ensure that our delivery of aid, whether directly or through investments, is transparent and of tangible benefit to those at the receiving end. The examples that I have mentioned suggest a tendency to invest in programmes that produce a quick fix, rather than creating sustainable, long-term solutions that will have a real impact on people's lives. CDC is being seen to do something, but the end result is not the primary consideration. The Bill, if amended—but only if amended—presents us with an opportunity to prevent similar things from happening in the future.

Like many Members, I face questions on a regular basis, but in the past couple of weeks I have increasingly faced them about inappropriate international development spending. People come back to this issue over and over again. Last week, when I spoke to Porthcawl's Newton women's institute, I took many questions on spending on international development. I hope that the amendments and new clauses will allay many of the fears that my constituents have raised and set the important work that DFID does—it changes lives in some of the poorest countries in the world—as something that our constituents can all support, because they can see that it is transparent, scrutinised and accountable. Without that, I fear we face yet more weeks of negative and often false news reporting, which will undermine the credibility of the vital work that this country undertakes around the world.

The Minister of State, Department for International Development (Rory Stewart): I begin by thanking right hon. and hon. Members. This has been a very instructive process. The new clauses and amendments tabled reflect what was a really good Bill Committee stage. The Government have huge respect for the intelligence, focus and precision of these amendments, and we hope that Members will see that all the concerns that have been expressed are going to be addressed through the strategy that is produced.

Before I address the new clauses and amendments in turn, I pay tribute very strongly to the Members on both sides of the House who have demonstrated their support for international development. I pay particular tribute to the hon. Member for Edinburgh East (Tommy Sheppard), who gave an extremely powerful speech in support of international development and about the importance of standing up and having the courage to defend complex and innovative projects.

Mr Gareth Thomas: At the outset of his remarks, will the Minister explain why the legislation has preceded the strategy?

Rory Stewart: I shall deal with that when discussing the second set of amendments, which relate to that directly, but first I want to continue to pay tribute to other Members of Parliament, from both sides of the

House, for their support for CDC. I was struck by the support of the hon. Member for Liverpool, West Derby (Stephen Twigg) for the Virunga project in the Democratic Republic of the Congo, by the in-principle support of the hon. Member for Glasgow North (Patrick Grady), and particularly by the phrase produced by the hon. Member for Edmonton (Kate Osamor) that is absolutely right in guiding us as we go forward: we need to get the right balance between long-term investment and short-term need.

I should just recapitulate the extraordinary work that CDC has done and echo the thanks of the hon. Member for Bedford (Richard Fuller). It has been a really tough time. As Members of Parliament, we are used to being under full public scrutiny and attack. CDC works very hard and has delivered some high-quality projects, and this has been a very tough period for it.

Three types of amendments have been tabled. The first set basically says yes, we should be giving money to CDC, but we should be giving slightly less money to CDC; the second set says that there should be restrictions on the Government's ability to give money to CDC; and the third set would restrict what CDC itself can do with the money. Essentially, the Government's position is that these are all good points, but they are better dealt with through the governance mechanisms and the strategy than through statutory, primary legislation.

I shall deal first with amendments 1 to 5 and new clause 10, which essentially say yes, we should give money to CDC, but we should give less money to CDC. Why do we disagree with what was essentially the argument put forward by the hon. Member for Cardiff South and Penarth (Stephen Doughty)? First, because, with respect, I still believe that the hon. Member for Glasgow North is confusing the stock and the flow. The fact is that the money put into CDC will be recycled. For the sake of argument, if an investment was 10 to 12 years in length and CDC had \$12 billion in the pot, it would be in a position to maintain the current rate of investment of around \$1 billion a year—the money would come back and go bounce again at around \$1 billion a year. It is not fair to compare what happens in a capital stock used for equity debt investment with the annual expenditure of a Department.

Secondly, there is the question of demand, which the hon. Member for Cardiff South and Penarth referred to. The demand is almost limitless. It is calculated that \$2.5 trillion is going to be required annually by 2030 to meet the sustainable development goals, which is why the relevant question is not the demand for the money but the question of the absorptive capacity, which the hon. Gentleman raised.

Thirdly, the Bill is enabling legislation that sets a ceiling—a maximum limit; it is not saying, "This is the amount of money we are going to give." Fourthly, the design is for the money to go into patient, long-term investment. The three-year review proposed in one of the amendments simply will not work for investments that are intended to be, on average, 10 years in length.

Mr Ivan Lewis: If the Bill is passed and its consequences are added to the fact that more than 25% of DFID's spending currently goes through other Government Departments, the result will be that more than 50% of our aid will no longer be spent through DFID. Does it not raise serious questions about the Government's

intentions for DFID to remain as a stand-alone Department with a place at the Cabinet table if more than 50% of its spending will be spent by CDC and other Departments? No other Government Department would come to the House and ask for more than 50% of its resources to be spent via other means.

Rory Stewart: There are two distinct points there: DFID's spending and the proportion of the spending. The first thing to understand is that CDC is 100% owned by the Department for International Development, which is one reason why a number of these amendments are not appropriate. On the proportion of money spent, as my hon. Friend the Member for Bedford (Richard Fuller) eloquently pointed out, the small increase that we are talking about in terms of the annual amount that CDC will be able to invest will still be much smaller than comparable organisations in Holland, Germany and France. It will be about a third of the amount that the Overseas Private Investment Corporation can invest—OPIC is just one of the US's development finance institutions that is able to invest—and only about a sixth of what the International Finance Corporation puts out a year. We are not talking—comparatively, globally—about a large amount of money. We are talking about something in the region of 8% at maximum—even if we hit the maximum of official development assistance—and the other 92% will continue to go in the normal way through non-governmental organisations and organisations such as UNICEF for the objectives that we pursue.

Stephen Doughty: It would be helpful if the Minister clarified the time period over which this increase, if it was granted, would be played out with CDC. The explanatory notes to the Bill say very clearly that the £6 billion is intended to be used in this spending review to accelerate CDC's growth. Is that his view, and what about the £12 billion? Is that spread over a 10-year period, a 20-year period or a five-year period? Can he give us a ballpark figure?

Rory Stewart: Let me clarify this. The £6 billion represents an additional £4.5 billion, because CDC already has £1.5 billion. We anticipate that that would cover the next five-year period to enable CDC, at maximum—we do not expect it to draw down the maximum amount—to be able to make the kinds of levels of investment that it made last year. The next £6 billion—it is not an additional £12 billion, but an additional £6 billion—would apply to the next five-year period. We are looking at a steady state allocation, which might, at maximum, allow CDC to meet the kind of expenditure levels that it gets next year.

Let me move on now to new clauses 2, 5 and 6 and amendment 6. Essentially, these are a series of measures that restrict the power of the Government to give money to CDC. They do that either by saying that they should not be able to boost the amount of money that CDC has through delegated legislation, or through asking for a strategy to be put in place before the money is disbursed. Again, these measures are not appropriate. The role of Parliament as specified for CDC in the Overseas Resources Development Act 1948 and the Commonwealth Development Corporation Act 1999 quite correctly relates to two things: the setting up of this body and the creation of a cap on the amount of money that this body is given.

However, it is not normal for Parliament to get involved in the detailed implementation of specialist business cases. That is true in everything that the legislature does in its relationship to the Executive. The money allocated to our Department in general through the Budget, which this House votes on, is then delegated to civil servants and to the Government to determine how it is spent. The same will be true here, but the strategy that will come forward will reflect very closely the arguments that have been made at the Committee stage and on Report. We will continue to remain in very close touch with Members of Parliament, and we will be judged by our ability to deliver, through that strategy, something that will address those concerns—above all, through the development impact grid and the development impact assessments on the individual business cases, which will address these particular issues.

Mr Gareth Thomas: Will the Minister specifically comment on the use of tax havens by CDC, and will he and other Ministers in his Department echo previous statements by the Secretary of State and instruct CDC to desist from using tax havens for future investments?

Rory Stewart: That is an invitation to move on to the last group of amendments, which comprises new clauses 8, 9, 3 and 7, one of which relates to the issue of offshore financial centres. These are restrictions on what CDC itself can do. There is a suggestion that there should be an annual obligation on ICAI to produce reports on CDC. Then there are restrictions on the routes through which CDC can put its money, and there are attempts through the new clauses to restrict the sectors and the countries in which CDC can invest. Let me take them in turn.

On ICAI, we are very open to scrutiny. The CDC has been scrutinised by the International Development Committee, the National Audit Office and the Public Accounts Committee. We expect it to be scrutinised in that way and to be scrutinised by ICAI. We welcome scrutiny from ICAI. However, we do not think it is for the Government to impose obligations on an independent regulator. It should be for ICAI to determine its priorities and where it thinks the problems are, and to be able to apply its scrutiny accordingly. It may determine that an annual scrutiny of 10-year investments does not make sense and decide to do it more frequently, but that should be for ICAI, not for statutory legislation of this House.

4.15 pm

Moving on to offshore financial centres, it is important to understand that we do not put our money through tax havens if, by that, one means that CDC is ever attempting to avoid tax or to conceal its activities. CDC is not involved in that. CDC invests only in offshore financial centres that have been approved by the OECD at its highest level. However, we take on board the points made by the hon. Member for Cardiff South and Penarth and others, and we will push the OECD to improve the standards further. We will, in our strategy, focus on these offshore financial centres, and we will only use them for two reasons. First, occasionally when we are investing, for example, in the Central African Republic, it may be necessary to protect UK taxpayers' money by not putting all the assets of CDC into

jurisdictions where it may be difficult to secure that money. Secondly, we may do so in order to pool money from other investors. That relates to the suggestion that we should operate only through London. It would then be very difficult to convince other African investors to invest in funds in London because they would face triple taxation: taxation in country of origin, taxation in country of business, and taxation in London. We hope through CDC's operations to ensure that every dollar we spend brings it \$3, \$5 or even \$30 of additional money.

That brings me to the last two sets of restrictions proposed by the House, one of which is a restriction on the number of countries in which CDC should invest. Again, we do not think it appropriate for primary legislation to restrict what the Department can do to respond to a flexible, changing world. We would not have imagined in 2010, for example, that there would be need in Syria. If the Bill stipulated that only low-income countries or least-developed countries could receive the money, the suggestion from the Chairman of the International Development Committee and his members that CDC should work in Syria, in Jordan, in Turkey and in Lebanon would be impossible to implement because it would be illegal under primary legislation. We need the flexibility to operate in a changing world and a world affected by conflict.

We also need to allow for the possibility that another Government—an SNP Government or a Labour Government—may take a different view on very poor people in countries such as India. A lot of the very poorest people in the world live in countries such as India. It is perfectly valid for a Government and its Department to discuss whether to put money into such a country, and they should not be restricted in that decision by primary legislation. Finally, we have to think about the cross-border possibilities. A restriction that prevented us from putting money into South Africa, for example, would mean that we could not put money into Grindrod, a great South African company investing in ports in Mozambique, because we would not have taken into account the ability to undertake cross-border operations that benefit the world's poorest.

I turn to the new clauses on the individual sectors in which we invest. This relates to the points made by the hon. Member for Bridgend (Mrs Moon). It is not appropriate for individual Members to ensure that we restrict such sectors indefinitely; it needs to be at the discretion of the Department to determine what those sectors are. The sectors listed in new clause 7 include private healthcare. I, and many other Members, have seen how private healthcare providers are able to reach some of the most needy people in the world who are not able to access public healthcare. In an environment such as Afghanistan, minerals can be almost the only driver of decent economic growth; there are very few other options available.

On real estate, we need to look at the people who construct the buildings, not the people who use them. Those investments in the construction industry are benefiting the people who build the buildings, which is why CDC makes the investments. On palm oil, we need to understand that in places such as the DRC, 27,000 indirect jobs are secured by the palm oil investment, as is decent investment in infrastructure and health. On renewable energy, it would be a great pity if the only

investments we could make in energy in Africa were in renewables. That would not be acceptable in a country that has struggled to build 6,000 MW of generating capacity over a decade. To rule out investments in natural gas would have a fundamental effect on the economic future of Africa.

To conclude, this has been an extremely thoughtful analysis, for which we are very grateful. The strategy will demonstrate that we have listened hard to all the points made on Second Reading, in Committee and on Report. We believe that this simple piece of legislation sets the right balance between economic development and the Department's other forms of activity, and above all that the Bill will make a significant contribution to the lives of the world's poorest people.

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

The House divided: Ayes 246, Noes 293.

Division No. 117]

[4.21 pm

AYES

Abbott, Ms Diane	Cryer, John
Abrahams, Debbie	Cunningham, Alex
Ahmed-Sheikh, Ms Tasmina	Cunningham, Mr Jim
Alexander, Heidi	Danczuk, Simon
Ali, Rushanara	David, Wayne
Allin-Khan, Dr Rosena	Davies, Geraint
Anderson, Mr David	Day, Martyn
Arkless, Richard	Debbonaire, Thangam
Ashworth, Jonathan	Docherty-Hughes, Martin
Bailey, Mr Adrian	Donaldson, Stuart Blair
Bardell, Hannah	Doughty, Stephen
Benn, rh Hilary	Dowd, Jim
Berger, Luciana	Dowd, Peter
Betts, Mr Clive	Dugher, Michael
Blackford, Ian	Durkan, Mark
Blackman, Kirsty	Eagle, Ms Angela
Blenkinsop, Tom	Eagle, Maria
Blomfield, Paul	Edwards, Jonathan
Boswell, Philip	Efford, Clive
Bradshaw, rh Mr Ben	Elliott, Julie
Brake, rh Tom	Elliott, Tom
Brennan, Kevin	Ellman, Mrs Louise
Brock, Deidre	Elmore, Chris
Brown, Alan	Esterson, Bill
Brown, Lyn	Evans, Chris
Brown, rh Mr Nicholas	Farrelly, Paul
Bryant, Chris	Farron, Tim
Buck, Ms Karen	Ferrier, Margaret
Burgon, Richard	Field, rh Frank
Butler, Dawn	Fitzpatrick, Jim
Cadbury, Ruth	Fiello, Robert
Campbell, rh Mr Alan	Fletcher, Colleen
Carmichael, rh Mr Alistair	Flint, rh Caroline
Champion, Sarah	Flynn, Paul
Chapman, Douglas	Fovargue, Yvonne
Chapman, Jenny	Furniss, Gill
Cherry, Joanna	Gapes, Mike
Clegg, rh Mr Nick	Gardiner, Barry
Clwyd, rh Ann	Gethins, Stephen
Coaker, Vernon	Gibson, Patricia
Cooper, Julie	Glass, Pat
Cooper, rh Yvette	Glindon, Mary
Cowan, Ronnie	Godsiff, Mr Roger
Coyle, Neil	Goodman, Helen
Crausby, Sir David	Grady, Patrick
Crawley, Angela	Grant, Peter
Creagh, Mary	Gray, Neil
Creasy, Stella	Green, Kate
Cruddas, Jon	Greenwood, Margaret

Griffith, Nia
Hamilton, Fabian
Hanson, rh Mr David
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hillier, Meg
Hodgson, Mrs Sharon
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Lavery, Ian
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
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
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McDonnell, rh John
McFadden, rh Mr Pat
McGarry, Natalie
McGovern, Alison
McInnes, Liz
McLaughlin, Anne
Meale, Sir Alan
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica

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
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Phillipson, Bridget
Pound, Stephen
Pugh, John
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Salmond, rh Alex
Saville Roberts, Liz
Shah, Naz
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thomson, Michelle
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valerie
Weir, Mike
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whitford, Dr Philippa
Wilson, Corri
Wilson, Phil

Winnick, Mr David
Wishart, Pete
Woodcock, John
Zeichner, Daniel

Tellers for the Ayes:
Nic Dakin and
Vicky Foxcroft

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
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Campbell, Mr Gregory
Cartledge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Courts, Robert
Crabb, rh Stephen
Crouch, Tracey
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Dodds, rh Mr Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Dorries, Nadine

Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
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
Foster, Kevin
Frazer, Lucy
Freeman, George
Fuller, Richard
Gale, Sir Roger
Garnier, rh Sir Edward
Gauke, rh Mr David
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, rh Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hancock, rh Matt
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-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John

Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Dr Caroline
 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
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Sir Oliver
 Lewis, rh Brandon
 Liddell-Grainger, Mr Ian
 Liddington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Sir Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 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
 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
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 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
 Spencer, Mark
 Stephenson, Andrew
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 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
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa

Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggins, Bill

Williams, Craig
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
Heather Wheeler and
Chris Heaton-Harris

Question accordingly negated.

Clause 1

AMOUNT OF THE LIMIT ON GOVERNMENT ASSISTANCE

Amendment proposed: 3, page 1, line 4, at end, insert—

“(1A) After subsection (1), insert—

(1A) The amount specified in this subsection is whichever is the lesser of the following amounts—

(a) £6,000 million,

(b) £1,500 million plus the amount determined in accordance with subsection (1B).

(1B) The Secretary of State shall determine the amount for the purposes of this subsection by estimating the amount which will constitute 4% of official development assistance in the relevant period determined in accordance with subsection (1C).

(1C) That period begins with the financial year in which the Secretary of State considers that the Crown's assistance to the Corporation (determined in accordance with subsection (2)) will exceed £1,500 and ends at the end of the fourth subsequent financial year.

(1D) For the purposes of this section, ‘official development assistance’ has the same meaning as in the most recent annual report laid before each House of Parliament in accordance with the provisions of section 1 of the International Development (Reporting and Transparency) Act 2006.” —(*Patrick Grady.*)

This amendment would replace the proposed limit on government assistance under section 15 with a new amount, expressed as either £6 billion or the existing investment of £1.5 billion plus a sum not more than 4% of forecast official development assistance over a five year period, whichever is the lesser amount.

Question put, That the amendment be made.

The House divided: Ayes 244, Noes 299.

Division No. 118]

[4.35 pm

AYES

Abbott, Ms Diane	Brennan, Kevin
Ahmed-Sheikh, Ms Tasmina	Brock, Deidre
Alexander, Heidi	Brown, Alan
Ali, Rushanara	Brown, Lyn
Allin-Khan, Dr Rosena	Brown, rh Mr Nicholas
Anderson, Mr David	Bryant, Chris
Arkless, Richard	Buck, Ms Karen
Ashworth, Jonathan	Burgon, Richard
Bailey, Mr Adrian	Burnham, rh Andy
Bardell, Hannah	Butler, Dawn
Benn, rh Hilary	Cadbury, Ruth
Berger, Luciana	Campbell, rh Mr Alan
Betts, Mr Clive	Carmichael, rh Mr Alistair
Blackford, Ian	Champion, Sarah
Blenkinsop, Tom	Chapman, Douglas
Blomfield, Paul	Chapman, Jenny
Boswell, Philip	Cherry, Joanna
Bradshaw, rh Mr Ben	Clegg, rh Mr Nick
Brake, rh Tom	Clwyd, rh Ann

Coaker, Vernon
Cooper, Julie
Cooper, rh Yvette
Cowan, Ronnie
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
David, Wayne
Davies, Geraint
Day, Martyn
Debbonaire, Thangam
Docherty-Hughes, Martin
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Elmore, Chris
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Ferrier, Margaret
Field, rh Frank
Fitzpatrick, Jim
Flelo, Robert
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Furniss, Gill
Gapes, Mike
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Margaret
Griffith, Nia
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hillier, Meg
Hodgson, Mrs Sharon
Hopkins, Kelvin

Hosie, Stewart
Howarth, rh Mr George
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marsden, Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McDonnell, rh John
McGarry, Natalie
McGovern, Alison
McInnes, Liz
McLaughlin, Anne
Meale, Sir Alan
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Mulholland, Greg
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O'Hara, Brendan
Olney, Sarah
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa

Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Phillipson, Bridget
Pound, Stephen
Pugh, John
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Salmond, rh Alex
Saville Roberts, Liz
Shah, Naz
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Starmer, Keir

Stephens, Chris
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thomson, Michelle
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valerie
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whitford, Dr Philippa
Wilson, Corri
Wilson, Phil
Winnick, Mr David
Wishart, Pete
Woodcock, John
Zeichner, Daniel

Tellers for the Ayes:
Mike Weir and
Kirsty Blackman

NOES

Adams, Nigel
Afrjyie, 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
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair

Campbell, Mr Gregory
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Dodds, rh Mr Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick

Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Elliott, Tom
 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
 Frazer, Lucy
 Freeman, George
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Gauke, rh Mr David
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, rh Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hancock, rh Matt
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, rh Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Dr Caroline
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Kirby, Simon
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Sir Oliver
 Lewis, rh Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Sir Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 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
 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
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 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
 Spencer, Mark
 Stephenson, Andrew
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 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
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Treddinick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Chris Heaton-Harris and
 Steve Brine

Question accordingly negated.

Third Reading

4.49 pm

Rory Stewart: I beg to move, That the Bill be now read a Third time.

I would like to begin by reiterating my thanks and the tribute we owe to right hon. and hon. Members on both sides of the House for their shared belief in the importance of international development. At the absolute core of the Bill is our moral obligation to some of the very poorest and most vulnerable people in the world. I pay tribute to right hon. and hon. Members for the important points raised, which will be reflected in the new strategy as it comes forward.

I will briefly lay out once more why believe that this is a good Bill. At its core is our understanding that there is extreme poverty and suffering in the world and that economic development will play an important part in addressing it. There is enormous demand in the poorest countries of the world for well-paid jobs. It is one of the first things that any of us discover when we go to Africa and other developing regions. As the Chairman of the International Development Committee, the hon. Member

for Halton (Derek Twigg) said, 90% of the growth and employment in the poorest countries of the world is currently driven by the private sector. As he also said, Africa requires 15 million more jobs a year. Every one of those well-paid jobs is an opportunity for a family to deliver the stuff we all care about—for parents to provide education for their children and the healthcare their families need. Above all, it is through the revenue these jobs generate for Governments that a long-term sustainable future can be maintained. That is what allows a Government to pay for their education and healthcare systems and, if there is an earthquake or some other natural disaster, to access the resources to address it. In the end, the only long-term sustainable path is through the generation of that economic development and growth.

Why CDC? We have chosen CDC because it brings together two important things: on the one hand, the rigour of the private sector and its ability to work out whether investments make sense—are there genuine markets for these goods; can these jobs really be sustained?—and, on the other hand, the values of the public sector. The latter are what ensure we go into the hardest countries in the world—for example, that we do renewable energy in Burundi or the Central African Republic or get into Sierra Leone when Ebola happens—and, above all, ensure that investments are not about short-term commercial returns but are patient, long-term investments of the kind that the commercial sector will often not deliver.

Why CDC? Well, having been established in 1948, it is the longest-serving, as well as the best, development finance institution in the world. It proved it in the 1960s, through its investments in Kenya, and, much more recently, since 2012, with its fantastic reforms, which we have talked about at all stages of the Bill, on salaries, transparency, offshore financial centres, the geography of investments and the sectors in which we invest, all of which is summed up in the development impact grid. That is what answers a lot of the points made in the discussion today, and that is what allows us to make sure that every investment focuses on the areas that generate the most jobs and on the countries where investment is most difficult, where the least capital is available and where GDP per capita is lowest.

We can see this in the real world: in the 17 million indirect jobs created by CDC; in its investments in places such as Burundi and the Central African Republic; in the hydroelectric investment in eastern Democratic Republic of the Congo—not an easy place to invest in—which the Chairman of the International Development Committee referred to; and, actually, in the Globeleq investment, where CDC's investment will help to generate 5,000 MW of power in Africa over the next decade. To put the latter in context, Africa managed only 6,000 MW over the previous decade, so that is almost the entire generation of Africa over the previous decade being driven by a single company supported by CDC. Moreover, there is value for money for the taxpayer because the money is recycled, and the need is absolutely there, as we can see from the fact that we need \$2.5 trillion of investment by 2030.

In conclusion, our Department will do many other things besides CDC. Much of the money will continue to flow through NGOs such as Save the Children, CARE and Oxfam. Many of our investments will be with valued partners such as UNICEF. More than 90% of the money we will spend through overseas development

assistance will continue to go to health, education and humanitarian assistance. Within that, not all the money in economic development will go through CDC. It will also go through our investments that will take place through support to Governments and technical assistance. However, that CDC investment, combining the rigour of the private sector, the focus on markets and the values of the public sector, reflects the values of the British public who care about poverty and show in their own philanthropic giving how much they care about some of the most vulnerable people in the world. We are showing our respect for the British people by pushing forward with a proven model that will provide the sustainable growth required to address some of the most vulnerable and poorest people in the world. This is our moral obligation.

4.55 pm

Imran Hussain (Bradford East) (Lab): I associate myself with the Minister's comments in thanking right hon. and hon. Members of all parties who have participated in what I believe has been a very constructive debate—irrespective of whether the amendments and new clauses have been accepted. What they set out has been utilised in the best possible way, as hon. Members have used them to raise some very important points. I offer my thanks, too, to all the non-governmental organisations that supported us throughout the process, to those who came before us in Committee to present written and oral evidence and to staff in the Public Bill Office, whose assistance has been invaluable, as always.

I would like to thank my hon. Friends who have spoken with great concern and passion about the Bill, and I particularly mention my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), whose experience in the Department for International Development is widely respected and was visibly expressed in today's debate. I thank my hon. Friend the Member for Wirral South (Alison McGovern), who is no longer in her place, who also served outstandingly in Public Bill Committee. I do not want my hon. Friends' valuable contributions to go unnoticed, and I include that of my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), the Chair of the International Development Committee, who always makes a passionate case and has an informed stance on the matters in hand.

Let me be clear that in today's constructive debate no Member has opposed the principle or spirit of the CDC itself, and no one has criticised its role and mission statement. All Members, particularly Opposition Members, have made the point time and again that we must not lose sight of the CDC's sole or founding principle, which is poverty alleviation. We have all accepted that, and we have had constructive debates in Committee and on Report. The amendments and new clauses that were tabled have had some support from across the House. Some were tabled as probing amendments, but some were amendments intended to strengthen the Bill.

Throughout the Bill's passage, we outlined a number of concerns that we held over its provisions, including on the accountability and scrutiny of the investments made by the CDC, on the need of the CDC to focus its investments on efforts to alleviate poverty and on the necessity of a business case from the CDC. These concerns have been fundamental to our position on the Bill, and they are concerns about which we have sought strong assurances from the Government.

[Imran Hussain]

On accountability and scrutiny, we had concerns, as illustrated in our amendments, over the fact that the CDC's investments are not independently assessed on a frequent and regular basis. The absence of such assessments undermines the credibility of the CDC and its investments, and it weakens public confidence that taxpayers' money, through DFID, is being spent by the CDC on efforts to alleviate poverty and help the poorest in the world. It is vital for every pound, every penny, of development to be directed towards that goal, and strong, independent scrutiny of the development impact of the investments would assure us of that.

We have heard assurances from the Minister today and in Committee that he would welcome further independent assessment by the Independent Commission for Aid Impact. I feel that he has listened, and I am grateful to him for that. We have also been assured that the annual reports and accounts provided by the CDC contain ample information, and that the CDC will be held to account for any discrepancies by either the Public Accounts Committee or the International Development Committee. I am sure that they will make any such discrepancy the subject of inquiries, as they have in the past.

As I have said, it is vital for us to ensure that the CDC's investments focus on the alleviation of poverty, which is DFID's legal aim and purpose. Given past investments involving the construction of luxury hotels and shopping centres in well-developed areas, Labour Members were concerned about the possibility that the CDC would use its additional finance to return to such activity. However, the National Audit Office report, which was published just before the debate on Second Reading, makes it clear that that is no longer the case, following the important reforms set in motion by the right hon. Member for Sutton Coldfield (Mr Mitchell), who is not in the Chamber today.

The Minister has been kind enough to provide assurances in response to some of the concerns that have been expressed today, so we will not oppose the Bill's Third Reading.

5.2 pm

Jeremy Lefroy: Whether people live in the United Kingdom, Tanzania or Colombia, the most important route out of poverty is a good job or a good livelihood, and that is why I fundamentally support the work of the CDC. It has done excellent work throughout the world for nearly 70 years, and in recent years it has concentrated on the most needy countries, where there is the highest level of unemployment or the highest level of poverty. I welcome the fact that the Government are to invest more through the CDC in the coming years.

However, I think that today's debate, and our debates in Committee and on other occasions, have made it clear that the CDC must be careful. It must invest in areas in which commercial investors would not normally invest; otherwise, it should be the commercial sector that invests in them. The CDC must invest in the areas that create the greatest number of jobs in return for the investment made. That will often involve agriculture, and it will often involve difficult investments, because it is not easy to invest in agriculture in remote areas. However, that is what the CDC is there for: it is not

there for an easy life. I know that—given the management that it has had recently, and given the calibre of its staff—it is up to those challenges, and I welcome the Bill.

5.3 pm

Patrick Grady: My I add my thanks to all the stakeholders and staff who have contributed to the Bill process? This is the first piece of legislation on which I have worked as an SNP spokesperson, so I am particularly grateful to the Clerk of Bills for his advice, to my staff and the SNP research team, and to the various non-governmental organisations that have provided input. I thank my hon. Friends the Members for Edinburgh East (Tommy Sheppard), for Coatbridge, Chryston and Bellshill (Philip Boswell) and for Kilmarnock and Loudoun (Alan Brown) for their contributions during the Bill's various stages. I also recognise the commitment and hard work of the CDC's staff, and their positive engagement with the Opposition parties.

This is the first piece of DFID legislation in the current Parliament, but I wonder whether it will be the last. The Minister might be aware that I tabled a question to the Secretary of State about the applicability of the International Development (Reporting and Transparency) Act 2006 now that the millennium development goals it requires DFID to report on have been replaced by the sustainable development goals. The International Development Committee proposed a consolidating international development Act to bring together all the various pieces of legislation passed over recent years. Perhaps that is not such a bad idea, especially as the debate about the purpose of aid and development seems to be getting louder.

As my hon. Friend the Member for Edinburgh East said on Report, throughout the Christmas recess there seemed to be a drip-feed of very negative stories about aid spending, particularly in the gutter press. It is absolutely right that examples of waste and inefficiency are exposed and questions asked about value for money, but the answer is to improve transparency and efficiency, and to measure impact—especially over the longer term—and not simply to cut off the supply or take heavy-handed, but ultimately counter-productive, action.

The debate on the CDC Bill has catalysed a broader debate about the use and purpose of aid, and the Government can be assured in the coming months that the SNP will be happy to support the cross-party and public consensus on our moral duty to help people most in need around the world, and the symbolism and very real impact of meeting the 0.7% aid target. However, as we have just heard on Report, if the highest standards of transparency and effectiveness are to be demanded from DFID's external stakeholders, they must equally be applied across Government and to their arm's-length agencies, starting with the CDC in this Bill.

The Government did not accept amendments, but I join the Opposition Front-Bench team in welcoming the commitments the Government have given. We will, through the procedures of this House, hold them to account for those commitments. There is a consensus behind the need for continual improvement of the CDC, and we want to maintain that consensus.

The Government will see this legislation passed today—their majority in the House assures them of that—and it is unlikely, due to the nature of the Bill, that the

House of Lords will have any opportunity to amend or delay its progress on to the statute book. So the Government are being given a significant responsibility today; they are asking for the power to quadruple the budget of an agency which has a long but chequered history. The CDC has had significant successes in its history, but significant concerns have been raised and remain. If its resource base is to be massively scaled up, so must be its accountability and the standards it is held to. I hope the Secretary of State and her Ministers will confirm that they are prepared for the CDC, the Department, and themselves as Ministers, to be held to those standards.

5.7 pm

Sir Peter Bottomley (Worthing West) (Con): I will say about three sentences.

It is both a moral and practical responsibility and an opportunity to aid other countries. Christian Aid was set up after the second world war to develop Europe, and its success over the next 20 years was fantastic. The same can apply to Africa and other parts of the world, and the CDC has the opportunity, through infrastructure and education, to achieve that.

We must reduce barriers and provide opportunities, and provide a welcome to other countries having the same aspirations and achievements we have had ourselves.

5.8 pm

Stephen Doughty: I, too, want to place on record my thanks to the Clerk of Bills and all my colleagues on the Front and Back Benches who have taken part. We have heard excellent contributions from both sides of the House in what has been a very informative and useful process of scrutiny of this Bill through Second Reading, Committee and Report.

I was pleased to hear the Minister setting out a little more detail on the period over which we can expect the CDC to be drawing down moneys. His suggestion that it will be a five and 10-year period in two tranches is much more reassuring than some of the earlier suggestions. There will, however, be a temptation to draw that down at a faster rate because of changes in reporting how our aid is calculated and what proportion the CDC counts towards that. So while I take what the Minister said with great sincerity, I urge him to caution against those who would suggest dumping money, as it were, into the CDC as a way of artificially meeting the 0.7% target. He should only go there with a clear plan and business case, and a clear understanding of how that is going to contribute towards poverty eradication.

I am concerned that we are still not going far enough on tax havens. I listened to what the Minister said and will look with interest at that strategy and what practical steps are taken to see us moving resources out of those jurisdictions, and the secondary effects we can have there.

I wholeheartedly agree with the hon. Member for Stafford (Jeremy Lefroy) about the role that the CDC should play. It should not go for an easy life by going where commercial resources already go. There was some suggestion in the debate that we were almost the only source of funding for many of these investments, but that is patently not the case. In our development spending overall, and certainly in the case of the CDC, we ought to be acting as a catalyst for the very best in poverty

eradication, for placing the very best focus on difficult sectors, areas and countries where others will not go, and for achieving the highest standards in sustainability and human rights. We ought to be acting as a catalyst in the world, not just going for an easy return and an easy life.

There is something that I still do not quite understand, and I hope that Ministers will reflect on this. The Secretary of State set out some good principles in her letter of 16 December on transparency, on open-book breakdowns of salaries, tenders and material costs, on due diligence in supply chains, on tax status and compliance, and on disclosures of conflicts of interest. I do not see why those principles cannot be applied equally to the CDC, just as they will be applied to other spenders of our aid spending. I urge Ministers to look carefully at this again. That is a reasonable set of requirements and it would be helpful if they could be applied to the CDC.

On the question of the countries that the CDC focuses on, there has been a shift. It is important to recognise that the CDC is investing more in the poorest countries, but it needs to go much further. I urge Ministers not to have any poverty of ambition in setting the framework and parameters for the CDC, particularly in relation to future disbursements, to ensure that the money goes to the poorest countries and not to middle-income countries that can often draw down other sources of funding and finance.

It was reassuring to hear many positive voices today making the case for our wider role in international development and for our 0.7% aid target. Indeed, it was good to hear the Prime Minister the other day rejecting the more shrill views from some on her own Benches and from the likes of the *Daily Mail* that we should scrap the aid target and that we should not be spending any international development money at all. She rejected that. This is not a zero sum game. It is not only morally wrong for us to ignore gross poverty, instability and insecurity, as the Minister said; it also fundamentally goes against our national interest and security and global security and stability. Those are good reasons why, with reasonable scrutiny and with reasonable questions being asked about all areas of our development spending, we must maintain our wider commitment to the poorest people and countries in the world.

Question put and agreed to.

Bill accordingly read the Third time and passed.

POLICING AND CRIME BILL (PROGRAMME) (NO. 3)

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

That the following provisions shall apply to the Policing and Crime Bill for the purpose of supplementing the Order of 7 March 2016 in the last Session of Parliament (Policing and Crime Bill (Programme)) and the Order of 26 April 2016 in the last Session of Parliament (Policing and Crime Bill (Programme) (No. 2)):

Consideration of Lords Amendments

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

(2) The proceedings shall be taken in the order shown in the first column of the following Table.

(3) The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

Table

<i>Lords Amendments</i>	<i>Time for conclusion of proceedings</i>
Nos. 24, 96, 134, 136 to 142, 159, 302, 305 and 307	90 minutes after the commencement of proceedings on consideration of Lords Amendments
Nos. 1 to 23, 25 to 95, 97 to 133, 135, 143 to 158, 160 to 301, 303, 304 and 306	Three hours after the commencement of those proceedings

Subsequent stages

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

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

Question agreed to.

Policing and Crime Bill*Consideration of Lords amendments*

Mr Deputy Speaker (Mr Lindsay Hoyle): I must draw the House's attention to the fact that financial privilege is engaged by Lords amendments 24, 96, 159 and 302. I also remind the House that certain of the motions relating to the Lords amendments will be certified as relating exclusively to England or to England and Wales, or to England and to England and Wales, as set out on the selection paper. If the House divides on any certified motion, a double or triple majority will be required for the motion to be passed.

After Clause 26

INQUIRY INTO COMPLAINTS ALLEGING CORRUPT
RELATIONSHIPS BETWEEN POLICE AND NEWSPAPER
ORGANISATIONS

5.13 pm

The Minister for Policing and the Fire Service (Brandon Lewis): I beg to move, That this House disagrees with Lords amendment 24.

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

Lords amendment 96, and Government motion to disagree.

Lords amendment 134, Government motion to disagree, and Government amendment (a) in lieu.

Lords amendment 136 to 142, and Government motions to disagree.

Lords amendment 159, and Government motion to disagree.

Lords amendment 302, and Government motion to disagree.

Lords amendment 305, Government motion to disagree, and Government amendment (a) in lieu.

Lords amendment 307, and Government motion to disagree.

Brandon Lewis: This first group of amendments includes 10 new clauses added to the Bill in the House of Lords against the advice of the Government. It covers four separate issues: part 2 of the Leveson inquiry; the funding of legal representation for bereaved families at inquests where the police are an interested person; the maximum sentence for the offence of stalking involving fear of violence or serious alarm or distress; and the rights and entitlements of victims of crime.

5.15 pm

The Government have reflected carefully on the debates on all the amendments in the House of Lords. Lords amendment 134 seeks to increase, from five to 10 years' imprisonment, the maximum sentence for the more serious stalking offence where the offender's behaviour puts a person in fear of violence. The Government are determined to do everything they can to protect victims of what can be a terrifying crime. The House will recall that, only last month, we announced plans to introduce a new stalking protection order, which will provide the

police with a new pre-charge option to help them to protect victims of stranger stalking in a similar way to orders that protect victims of domestic violence and abuse.

My hon. Friends the Members for Cheltenham (Alex Chalk) and for Gloucester (Richard Graham) have been assiduous in pursuing this issue for some time and are to be much commended for their campaign, including the pursuit of a private Member's Bill, on behalf of Dr Eleanor Aston, a Cheltenham general practitioner practising in Gloucester who was stalked by a former patient for seven years.

Each case must, of course, be considered by the courts on its facts, but given the harm that can be caused by the most serious stalking cases we are persuaded that, in such cases, sentencing judges should have greater latitude to pass a higher sentence that fits the crime and affords greater protection for victims. The Government amendment in lieu of Lords amendment 134 will therefore do three things.

First, the Government amendment will increase, from five to 10 years' imprisonment, the maximum sentence for the offence of stalking involving fear of violence or causing serious alarm or distress. Secondly, it will similarly increase the maximum sentence for the equivalent harassment offence of putting a person in fear of violence, which will help to retain consistency of approach to the most serious harassment offences. Thirdly, it will increase, from seven to 14 years' imprisonment, the maximum sentence for the racially or religiously aggravated version of the section 4 and 4A offences. In the normal way, those increased maximum penalties will apply only to offences committed on or after the date of commencement, but I trust that the amendment will have the support of my hon. Friends and, indeed, of the whole House.

The Government remain firmly of the view that, however well intentioned the motives behind them, the other Lords amendments in this group pre-empt the proper and detailed consideration of what are complex issues and that, accordingly, this House should disagree with them. I will take each of the three issues in turn.

Lords amendment 24 would require my right hon. Friend the Prime Minister to proceed with what is commonly known as the "Leveson 2" inquiry into the relationships between the police and the media. Of course, it is vital that the police at all times uphold the very highest standards of integrity, whether in their dealings with the media or, for that matter, in their dealings with anyone else. However, given the extent of the criminal investigations into phone hacking and other illegal practices by the press that have taken place since the Leveson inquiry was established, and given the implementation of the recommendations following part 1, including reforms within the police and the press, the Government must consider whether proceeding with part 2 of the inquiry is appropriate, proportionate and in the public interest.

As hon. Members will be aware, the Government have sought the views of the public and interested parties, including the victims of press abuse, through a public consultation that, as it happens, closes today.

Chris Bryant (Rhondda) (Lab): The consultation closed 17 minutes ago. The truth of the matter is that the Government promised that there would be one inquiry

with two parts. As far as I can see, the Minister is effectively saying—nudge, nudge; wink, wink—"We are not going to proceed with part 2." If that is the case, he should be straightforward and tell us so now.

Brandon Lewis: With great respect, the hon. Gentleman should look at *Hansard* when it is published. That is not what I said at all. I made it very clear that we have been seeking the views of the public and interested parties and that we have to look at what is appropriate, proportionate and in the public interest.

The consultation sought views on whether proceeding with part 2 of the Leveson inquiry is still appropriate, proportionate and in the public interest. As the last of the relevant criminal cases has only recently concluded, the Government believe that this is an appropriate time to take stock and seek views on the various options, as the then Home Secretary outlined 18 months ago. Submissions to the consultation will be important in helping to inform the Government's thinking.

As hon. Members may also be aware, an application has been made to judicially review the consultation. Although I cannot comment on the current legal proceedings, the Government have committed not to take any final decisions relating to the consultation until the legal proceedings have concluded. Given the consultation and the ongoing related legal proceedings, I respectfully suggest to the House that this is not an appropriate matter for further legislation at this moment.

Sir Gerald Howarth (Aldershot) (Con): I hope the Government will not be intimidated by a campaign the press are waging at the moment to try to deter them from implementing the Leveson recommendations. May I just tell the Minister that yesterday I submitted my monthly article for the *Aldershot News & Mail*, as I had been invited to do—[*Interruption.*] May I say to hon. Members on both sides that it is normally very good reading? The article was about press freedom. I received an e-mail yesterday evening saying that the paper was sorry that it would not be publishing it because it was "contradictory" to its stance on "a free press". It is extraordinary that the *Aldershot News & Mail*, owned by the *Daily Mirror* group, feels it is so vulnerable that it cannot accept an article by me—my hon. Friend the Member for North East Hampshire (Mr Jayawardena) is the other contributor. Leaving aside my criticism of the *Aldershot News & Mail*, with which I was pretty robust this morning, may I say to the Minister that this illustrates a real paranoia in the media about this issue and it is our responsibility, as parliamentarians, to be straightforward and recognise that what we are seeking to do is to protect not ourselves but ordinary people?

Brandon Lewis: As always, my hon. Friend makes an important point. However, let me make it clear again that the Government will make a decision on this once we have had a chance to review the outcome of the consultation and in the light of the legal proceedings, and not before the legal proceedings have concluded.

Bill Wiggin (North Herefordshire) (Con): But will it not be awkward for the Government if they completely ignore the Press Recognition Panel's submission? After all, independently overseeing press regulation was what it was set up to do, and it is unequivocally calling for section 40 to be implemented.

Brandon Lewis: As I say, the Government will review the consultation, and I know the Secretary of State will look carefully at that. We are committed to not making decisions until the completion of the judicial proceedings. Hon. Members will also be aware that the Speaker has certified this amendment as engaging financial privilege. Our view is that amendment 24 is, at this time, unnecessary, inappropriate and ill-timed.

The Government fully understand the reasoning behind Lords amendment 96, which seeks to provide public funding for legal representation for bereaved families at inquests. It may be almost seven months since this House last debated this issue on Report, but the Government's position has not changed. Our view remains that we should await the report, expected this spring, from Bishop James Jones on the experiences of the Hillsborough families. The Opposition have argued that this issue goes beyond Hillsborough. I do not dispute that, but the experiences of the Hillsborough families will have significant relevance for other families facing different tragic circumstances, and the issue of legal representation at inquests will undoubtedly be one aspect of those experiences. Bishop James's report will provide learning that could be of general application, so it is entirely right that we do not now seek to pre-empt his review, but instead consider this issue in the light of his conclusions. For that reason, I put it to the House that this amendment is premature. As with the other Lords amendments we are debating, we must take into account the potential significant financial implications of amendment 96. Of course, the resource implications of the amendment are just one consideration, but it cannot be ignored, and, again, the Speaker has also certified the amendment as engaging financial privilege.

Finally, Lords amendments 136 to 142 seek to make further provision in respect of victims' rights and entitlements. These amendments ignore the extensive reforms and modernisation we are undertaking to transform our justice system, and to protect vulnerable victims and witnesses, and, where appropriate, spare them the ordeal of appearing in court, through an increased use of video link systems and by rolling out pre-recorded cross-examination. The amendments would result in an unstructured framework of rights and entitlements that is not founded on evidence of gaps or deficiencies in what already exists, or even of what victims of crime want and need. Some amendments are unnecessary because they duplicate existing provisions and practices, or are being acted on by the Government already.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): When will the Green Paper considering the need for a victims' law, which was first mooted in February last year, actually be published?

Brandon Lewis: We are committed to introducing measures to strengthen further the rights of victims, and it is important that we have taken the time to get this right. We will announce our plans in due course. It is important to be clear that Lords amendments 138 and 139 are, therefore, similarly unnecessary, as the training of all staff in the criminal justice system is taken very seriously.

On Lords amendment 141, on quality standards, the Victims' Commissioner's role already encompasses encouraging good practice in the treatment of victims

and witnesses, and the operation of the victims code, which is a detailed set of victims' entitlements. In addition, police and crime commissioners, who commission local victims' services, enter into grant funding agreements with the Secretary of State for Justice to receive the funds to do so. Those agreements set out a range of minimum standards for the services provided. We are currently reviewing existing standards relevant to victims' services to make sure that we have the best possible framework in place.

The amendments, individually and taken together, are un-costed, vague and duplicative. They could impose significant obligations and financial burdens on the criminal justice system.

On Lords amendment 142, it is not clear what the purpose of directing a homicide review would be. In any case, it is unnecessary. There is already a statutory requirement for a review to identify the lessons to be learned from the death in domestic homicide cases.

Putting aside the many difficulties we have with the detail of the amendments, the Government are already looking at what is required to strengthen further the rights of victims of crime. We are looking at the available information about compliance with the victims code and considering how it might be improved and monitored. We are focused on making sure that we get this work right. We will ensure that any future reform proposals are evidence-based, fully costed, effective and proportionate.

As I have indicated, the intention behind many of the Lords amendments is laudable. On Lords amendment 134, we are persuaded that the case has been well made for increasing the maximum sentence for the more serious stalking and harassment offences involving fear of violence. I congratulate my hon. Friends on the work they have done on that.

As for the other Lords amendments, as a responsible Government we do not want to adopt a scattergun approach to legislation. Nor can we afford to be free and easy with taxpayers' money by incurring substantial new spending commitments without offering any indication as to where the additional resources are to come from.

Mr Jim Cunningham (Coventry South) (Lab): What are the Government going to do about strengthening protection for victims, particularly when they have to give evidence in court? Very often elderly people are frightened to go and confront the person they have accused.

Brandon Lewis: I noticed that the hon. Gentleman was trying to intervene before I made that comment. Hopefully he will be satisfied that we are looking to strengthen victims' rights, but we want to do so in a proper, proportionate and appropriate way.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Taking at face value the criticisms that the Minister levels with regard to the provisions for victims of crime, can he tell the House why the Government have not introduced amendments in lieu, instead of just asking us to disagree with the Lords amendments? After all, strengthening victims' rights was in the Conservative manifesto at the most recent election; how much longer do we have to wait?

Brandon Lewis: As I said just a few moments ago, we do want to look at strengthening victims' rights, but we want to make sure that we do so in a correct, appropriate and proportionate way. I want to do that work, and in due course we will come forward with those proposals and ensure that we are doing it properly. Taking into account the work we are doing, Lords amendments 24, 96 and 136 to 142 are at best premature and at worst confused, unfocused and unnecessary. As such, we argue that they should be rejected by this House.

Lyn Brown (West Ham) (Lab): Happy new year to you, Mr Deputy Speaker, and to the Minister.

We support Lords amendments 24, 96 and 136 to 142, along with consequential amendments 159, 302 and 307, and we will vote to retain them in the Bill. We also supported the original amendment 134, with consequential amendment 305. We are glad to see that the Government have changed their position, so we will not oppose their amendment in lieu of Lords amendment 134.

I thank those in the other place who have worked to bring these issues to our attention, particularly Baroness O'Neill and Baroness Brinton. I congratulate my noble Friends Lord Rosser and Baroness Royall, whose determination and outstanding advocacy for the most vulnerable in our society has led to the Government accepting our amendments to the stalking code. Each of the substantive issues before us is deserving of a full debate in its own right, but we have only a short amount of time. I will deal with each in turn.

Lords amendment 24—Lords amendment 159 is consequential to it—is a new clause that requires the Government to commission an independent inquiry into the way in which the police handle complaints relating to allegations of corruption between the police and newspaper organisations. It is commonly known as the Leveson 2 amendment, because it is similar in scope to the proposed second part of the Leveson inquiry. As was announced by Judge Leveson on 14 September 2011, this is a proposed examination into

“whether the police received corrupt payments or were otherwise complicit in misconduct”

and into any failure of the police and others properly to investigate allegations relating to News International and other news organisations. In 2012, the then Prime Minister, the right hon. David Cameron, said:

“When I set up this inquiry, I also said that there would be a second part to investigate wrongdoing in the press and the police, including the conduct of the first police investigation.—[*Official Report*, 29 November 2012; Vol. 554, c. 446.]

Yet the Government's consultation, which ends today, as we have heard, could be seen as a weakening of that commitment. That underlines the need for the clarity that this amendment would provide.

5.30 pm

Part 1 of the Leveson inquiry found unhealthy links between senior Metropolitan police officers and newspaper executives. Those links led to high-level resignations. There are also issues around the relationship between the police and the press more locally, as prior information appears to have been provided about particular people who will be arrested or a particular search that will be carried out. All those serious breaches speak to a fundamental need for us, as a nation, to assess the proper relationship between the police, the press, the

public and the system of complaints. The proposed second stage of the Leveson inquiry would ask exactly those sorts of questions. Labour has consistently supported it but, sadly, real doubts are emerging about the Government's commitment to the second stage of the inquiry. No timetable has been announced for it, and the Government have stated that it will not take place until all criminal investigations and trials related to part 1 are concluded.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Is not the Government's position extremely sensible? A succession of criminal trials have looked into this matter. They have proceeded in a proper judicial way, and most of the information that we need is already available. To go on inquiring, inquiring and inquiring is merely adding to the already £50 million cost that there has been to the taxpayer.

Lyn Brown: I am really sorry that the hon. Gentleman continues to plough that path. As I have said, the second part of this inquiry was quite clearly in the mind of his Prime Minister when he made statements to this House. If we cannot accept the words of his Prime Minister—

Mr Rees-Mogg: On a point of order, Mr Speaker.

Lyn Brown: Oh, really.

Mr Speaker: Order. Let the hon. Gentleman put his concern on record.

Mr Rees-Mogg: The hon. Lady is promoting me. The Prime Minister is Prime Minister to the sovereign, not to me.

Lyn Brown: I have heard some specious arguments in this place.

I hope that the Lords amendment is acceptable to Government Members and the Minister. It is explicit that the inquiry should not begin until the Attorney General determines that it would not be prejudicial to any ongoing relevant criminal investigations or court cases. To oppose the amendment is therefore tantamount to admitting that the Government are no longer committed to an investigation into corruption between news organisations and the police, and that they are not prepared to investigate how allegations of corruption are dealt with. If the Government block Lords amendment 24 today, the public really can have no option but to draw the conclusion that this Government have no commitment to asking the important and hard questions of our national institutions.

I now turn to Lords amendment 96, with consequential amendment 302, which was proposed in the other place by Lord Rosser. The purpose of the amendment is to establish the principle of parity of legal funding for bereaved families at inquests involving the police. Many hon. Members have championed this cause, including during the passage of the Bill. I pay particular tribute to the tireless campaigning and personal commitment of my right hon. Friend the Member for Leigh (Andy Burnham). Unequal funding at inquests and the injustice associated with that was highlighted by the sorry saga of the Hillsborough hearings. The scales of justice were

[Lyn Brown]

weighted against the families of those who had lost their lives. Public money was used not to discover the truth, but instead to defend an untenable narrative perpetuated by South Yorkshire police. The coroner dealing with the first pre-inquest hearings into the 21 victims of the 1974 Birmingham pub bombings backed and commended applications for their bereaved families to get legal funding for proper representation, but did not have the power to authorise the funds.

Fees in major cases have attracted considerable public interest, but inquests at which the police are legally represented are not confined to major tragedies such as Hillsborough; far more common are inquests into the deaths of individuals who are little known. Many bereaved families can find themselves in an adversarial and aggressive environment when they go to an inquest. Many are not in a position to match the spending of the police or other parts of the public sector for their own legal representation. In fact, bereaved families have to try, if at all possible, to find their own money to have any sort of legal representation. Opposition Members believe that the overwhelming public interest lies in these inquiries discovering the truth. It follows that public money should be there to establish the truth, not just to protect public institutions, and that must mean equal funding.

In the other place, the Government accepted that many would sympathise with the intention of the amendment. When she was Home Secretary, the Prime Minister commissioned the former Bishop of Liverpool, James Jones, to compile a report on the experiences of the Hillsborough families. We are encouraged to wait for his report before considering the issues further, yet we already know that a system of unequal funding at inquests is wrong. Public funds are used to deny justice and hide the truth. The Government need to act now to change a process that appears to be geared more towards trying to grind down bereaved families than enabling them to get at the truth. The Government really should accept the amendment.

Mr Charles Walker (Broxbourne) (Con): I urge Ministers to listen closely to the hon. Lady's strong point. When someone dies while in the care of the state in a detained environment, people too often go up against the might of the state. That is simply not fair and it should not be tolerated.

Lyn Brown: I am grateful to the hon. Gentleman for making that point.

We also support Lords amendments 136 to 142, which were tabled by Baroness Brinton, along with consequential amendment 307. Those amendments are designed to improve the way in which the criminal justice system interacts with victims of crime, and they are based on the work of my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer). I presume that the amendments will be acceptable to the Government because, as we have heard, they would enact the 2015 Conservative manifesto commitment to introduce a victims' bill of rights. Let me remind the Minister of what that manifesto says:

"we will strengthen victims' rights further, with a new Victims' Law that will enshrine key rights for victims".

I understand that the former Minister, the right hon. Member for Hemel Hempstead (Mike Penning), already committed to a Green Paper on this issue in a private meeting with the campaign group Voice 4 Victims in February last year, but we are yet to have sight of that. This Bill is the ideal opportunity to take the matter forward, so I encourage the Government, even at this late stage, to think again and not oppose the amendments.

The House will know that victims' rights are protected in the victims code, which was introduced in 2005 by a Labour Government. We still support that code, but the rights included in it are not legally binding, and in the past few years it has become clear that a firmer legal basis is required to give distressed and vulnerable victims the protection that they need.

Liz Saville Roberts: Does the hon. Lady agree that if the 2012 European directive on victims' rights were put on a statutory footing in England and Wales, we would be following the lead of that which happens in Scotland already?

Lyn Brown: The hon. Lady is absolutely right, but I think that talking about Europe might be too much of a red flag in this Chamber.

If the amendments are agreed to, they will create a statutory duty on elected police leadership to produce an area victims plan depending on local needs, and they will require the commissioner for victims and witnesses to assess the adequacy of such plans. Finally, the amendments will empower the Secretary of State to order a homicide review—basically, a cold case review—when nobody has been charged with a crime. Taken together, the measures would allow the victims code to be better enforced and ensure that our criminal justice system works better for the victims of crime. The Government will, I hope, offer their wholehearted support to these amendments.

Finally, I turn to Lords amendment 134, with consequential amendment 305, which was proposed by my noble Friend Baroness Royall. The amendment would increase the maximum penalty for those found guilty of stalking from five to 10 years. In cases where the offence is racially or religiously aggravated, the maximum penalty would be increased from seven to 14 years. We are delighted that the Government have chosen to accept our case, and I congratulate my noble Friend and all who have pursued the campaign.

Home Office data suggest that as many as one in five women and one in 10 men will be stalked at some point in their lives. Just because stalking is common, it does not mean that it is not a serious matter. Stalking destroys lives. It violates an individual's right to privacy, and therefore destroys their personal freedoms. It causes fear, and rightly so, since too often it is a precursor to violent confrontation.

I know that sentencing guidelines and specific sentences are the responsibility of the Sentencing Council and judges respectively. However, extending the maximum penalty will allow for greater flexibility in the most serious cases and make it clear that stalking is a serious offence. The Labour party has provided the Government with the opportunity to give judges the necessary flexibility to hand out appropriate sentences to serious criminals. I am delighted that the Government have seen the need for that and responded appropriately.

Alex Chalk (Cheltenham) (Con): I rise to support the Government's amendment on stalking in lieu of Lords amendment 134. This is a momentous day, because the proposed measures, which would have the effect of significantly strengthening protections for victims of stalking, represent the culmination of a 16-month campaign. I truly hope that what began with a meeting with my GP constituent Dr Eleanor Aston in 2015 will end here today.

In doubling the maximum sentences for stalking, the Government's proposals emphatically and decisively do two things. First, they recognise that stalking is not a minor offence. Instead, it is a horrible, violating, destructive crime that rips relationships apart, ruins careers and can cause lasting mental harm. All too often, it is the gateway to serious violence. Secondly, the Government's amendments will ensure that courts have the tools that they need to deal with the most serious cases accordingly. Most crucially of all, it will give the courts powers truly to protect victims and to put their needs front and centre in the criminal justice system.

Let me be clear: when we talk about victims of stalking, we are not simply referring to the rich and famous: this campaign has made it crystal clear that ordinary men and women can fall victim to stalking just as readily and just as severely as those in the public eye.

Lyn Brown: Before the hon. Gentleman continues, may I say that it was remiss of me not to mention the work that he has done on the matter and congratulate him on it?

Alex Chalk: That is very gracious of the hon. Lady, and I am grateful. The context for the proposals was the horrific seven-year ordeal suffered by my constituent at the hands of her former patient. I will not go through all the detail now, but I will set out some of it. He turned up at her surgery over 100 times. He posted foul items through the letterbox. He followed her on patient visits, slashed her tyres and sent threatening mail. He appeared at a children's birthday party her daughter was attending. That caused her exceptional anxiety and fear. After serving a short prison sentence, he—in a pattern that is not uncommon with this type of offence—restarted his campaign. Dr Aston received packages at her surgery in Gloucester and at her home in Cheltenham. One was threatening and abusive, and made it clear that he knew where her children went to school. The second package simply said, "Guess who's back". When he was arrested again, the search on his computer revealed that the inquiry, "How long after a person disappears are they assumed dead?" The judge who sentenced Dr Aston's stalker made it clear that he did not think he had the tools he needed, stating in open court that he had no doubt that the stalker was dangerous in the sense of posing a significant risk, but he went on:

"I am frustrated that the maximum sentence...is five years. I would, if I could, give you longer."

5.45 pm

These proposals mean that instead of the maximum sentence being lower than that for shoplifting, it would be put on a par with that for another violating and upsetting crime—burglary. They mean that we no longer have the completely unsatisfactory situation in which the maximum a stalker can serve in prison on entering a guilty plea, even for the worst imaginable repeat offence against the same victim, is just 20 months.

I should also make it clear what this is not about. It is not about saying that all stalking cases should suddenly lead to longer sentences—that is plainly a matter for the discretion of the courts—it is about ensuring that in the most serious cases, where victims are truly at risk of serious harm, whether physical or mental, the courts have the tools they need to protect the innocent. It is not about throwing away the key and giving up on offenders. Ultimately, I and others want prison sentences that reform the offender and address the underlying obsession in an effective way. The reality, in fact, is that longer sentences, in appropriate cases, can provide the prison system with a greater opportunity to rehabilitate and to treat.

I want to thank parliamentarians from both sides of both Houses—including Baroness Royall, for the role she has played—who have backed these measures, both in relation to my private Member's Bill in this place and in their support for the detailed report that I co-authored with my hon. Friend the Member for Gloucester (Richard Graham), who has shown extraordinary dynamism in this campaign.

I want to pay tribute to this Government. I am enormously proud that more has been done by this Government, both since 2015 and in coalition, than by any other in history to recognise the seriousness of this type of offending. In just a decade, stalking has gone from being treated almost as a joke to being recognised for the serious offence it is. This step builds on vital work that has gone before—from creating the offence in 2012 to enacting stalking protection orders that can offer protection to victims at the first sign of trouble—and should properly be seen in the context of other vital measures that are relevant to this topic, not least the introduction of Clare's law to protect women from potentially abusive and dangerous partners.

Mr Jim Cunningham: I thank the hon. Gentleman for giving way, but may I enlighten him? He was not in the House when the stalking legislation was introduced by the Labour Government as a result of a private Member's Bill, against a lot of opposition from his party at the time.

Alex Chalk: I am very grateful to the hon. Gentleman for that intervention, but the reality is that the Conservative-led coalition Government ensured that the measure was put on the statute book. However, in the spirit of being entirely conciliatory, I recognise that a lot of people have made efforts.

I close by saying that I am grateful to the many victims—typically, but not exclusively women—to whom I have spoken and who have shared their stories, as well as to the stalking charities, such as the Suzy Lamplugh Trust, the Network for Surviving Stalking, Protection Against Stalking, Paladin, the Hollie Gazzard Trust, the police and the University of Gloucestershire, which, incidentally, is a leader in research on stalking.

Finally, I want, above all, to pay tribute to my constituent Dr Aston. It was her ordeal that triggered this campaign. She has shown astonishing bravery, reliving her suffering again and again. I know that her greatest wish is that future victims can receive the full measure of justice. If these proposals are carried, that will be precisely the result. I commend the Government amendments to the House.

Jess Phillips (Birmingham, Yardley) (Lab): I had not intended to come along today, but it is a real pleasure to follow the hon. Member for Cheltenham (Alex Chalk), who rightly spoke about the real progress that is being made with the Stalking (Sentencing) Bill. There is no need to have a sort of ping-pong about who has done more about domestic violence, sexual violence and stalking because, frankly, we should all be trying to do everything we can, and I do not care who does it as long as it gets done.

The legislation and the amendments before us—particularly on stalking—represent real legislative progress, but that will mean absolutely nothing if, in practice, the legislation is not realised. As somebody who has worked on the frontline, I am afraid to say that so often we make brilliant rules in this place—beautiful, fancy written rules, still on all the fancy goatskins—and it means absolutely naff all to victims because of issues to do with resources and how things are properly realised by the different agencies. That is why I wanted to talk about the victims code and the amendments to the victims' Bill that was introduced by my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer). I urge the Government to consider the amendments and to consider making a more robust framework for the victims code, which is a brilliant piece of regulation. I have no doubt that every single person in here is totally committed to making things better for victims. I do not sign up to the idea that you are baddies and we are goodies. We all come to this place because we want to make something better.

I was the victims' champion for Birmingham and did a huge piece of work on the victims code and victims' legislation alongside the Government's Victims' Commissioner, and I have to say that if Members can find me a victim who knows what the victims' code is, I will give them some cash now. People do not realise that they have this many days to ask for something, and they do not realise that they can have a victim statement. Only 30% of people remembered even being asked for one. I ask hon. Members to think back to the day that the murderer of our friend and colleague Jo Cox was sentenced. The thing that we do not remember from that day is that man. The thing we remember is Brendan Cox standing and making the victim statement outside the court that he had made inside the court because he knew that he had the rights to do it. That is rare but it was so powerful in that case.

It is imperative that we look at the amendments that relate to the victims' law and see how we can strengthen them, because I am telling you now—not you, Mr Speaker, of course, but everyone—that at the moment the victims code is a hope as far as victims of crime are concerned, and the Opposition amendments would definitely make it stronger, especially for victims of stalking and sexual violence. I ask the Government to think again.

I want to make a quick point about the amendments regarding the equality of arms in cases where the state is an actor. I speak for the victims of the Birmingham pub bombings, who are not just my constituents but my friends. We have a matter of weeks to answer their plight. Currently, the Chief Coroner agrees with them that they have not been provided with an equality of arms, so an adjournment has taken place before their inquest can be reopened. We have until February to right that wrong. At the moment, I see nothing that tells

me that that will change. I ask Government Members to look at the amendments and think about how they would feel if it concerned the families in their constituency.

Brandon Lewis: With regard to the Birmingham situation, I am very happy to have a conversation with the hon. Lady outside the Chamber. I think that she may have slightly misunderstood what is happening, and I am happy to give a bit more detail about what is happening with the legal aid process.

Jess Phillips: I am only too aware that the Minister will almost certainly tell me that the legal aid, through the Legal Aid Agency, has been granted to two of the seven families of complainants. Although I am more than happy to meet the Minister outside of here, I am going to wager that I know a bit more about it than perhaps he does. I would be delighted to be proven wrong—in fact, the Home Office has heard our requests for Hillsborough-style funding—and, if I am, I will stand on every single platform I can to say that I was wrong and the Minister knew more than me. So I look forward to that!

I will conclude by saying that we all want something better and we all want victims to be treated better, and the hon. Member for Cheltenham has shown with passion how that can be realised. But unless we make sure our regulations are enacted, what we do in this place is slightly for nothing, so I ask the Government to look again at the amendments around victims' rights.

Mr Charles Walker: In the last Parliament, I was totally politically incontinent—in and out of all sorts of Lobbies, voting with the Government, voting against the Government and voting with Labour. I have really tried to make sure that, in this Parliament, I was only in one Lobby—the Government Lobby. I have managed that loyally for the past 18 months, and I am just so disappointed that the Government are not willing to accept Lords amendment 96, because equality of representation is absolutely critical.

I spoke in this place in a previous Parliament about the terrible tragedy of deaths in custody—deaths in detained environments. Let us look specifically at deaths in police custody. If a person dies in police custody, there is obviously a coroner's inquiry, but there is total inequality of representation at that inquiry. The family of the deceased are up against the state, the police and their legal representation. That legal representation is given to the police without question, and it is funded without question, whereas the families of the deceased, at a time of huge emotional turmoil, have their finances pored over with a fine-toothed comb—it is not just the finances of the parents, but the finances of siblings, aunts and uncles, and even cousins—to see whether the family can bear the cost of their legal representation. That is entirely unfair; it is not just.

The Lords amendment is very sensible in its scope, and I would hope, even at this late stage, that the Government—if for no other reason than to keep me out of a Lobby that I do not really want to be in—might consider accepting it, so that we can all finish the evening on a very happy and unified note.

Chris Bryant: I do not think that it is going to be a very unified note by the end of the day, and I think there was an element of irony in the contribution by the hon. Member for Broxbourne (Mr Walker).

I pay tribute to the hon. Member for Cheltenham (Alex Chalk) and my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) for their campaign on stalking. The legislation has changed over the years, particularly since 1997, and it is good that this issue is now recognised for the terrible harm that is done to many victims.

I want to talk primarily—this is a bit of a smorgasbord debate—about the Leveson issues and amendment 24, which I wish was not necessary. However, it is necessary, and it has been put on the amendment paper only because their lordships and a large number of us in this House are distrustful of the Government's intention in relation to what happened over Leveson.

I believe that it is necessary to have the full Leveson—that is not two Leveson inquiries, but one Leveson inquiry, some of which could be done before the criminal investigations were completed, and some of which could not be done until the criminal investigations were completed. That was always the promise. It was never, “We will think about having Leveson 2 once we have come to the end of the criminal investigations; it was always said from the very beginning that there would be one inquiry with two parts and that the second part would happen. In fact, the Prime Minister, in the quote given by my hon. Friend the Member for West Ham (Lyn Brown), said those words the day after Leveson 1 had been produced. So Ministers have absolutely no excuse for turning round now and saying, “Oh no, no, we never really intended to proceed with Leveson 2.”

Why does that matter? Why is it important? The truth is that we are talking about corruption in one of the organisations of the state that matters most to our constituents and to the rule of law in this country: the police. I am sure the vast majority of us agree, given the little bits and pieces that we have managed to glean from Leveson 1, that there was a time when the Metropolitan police, to all intents and purposes, were a partially owned subsidiary of News International. Metropolitan police staff went to work for News International. When they had finished working for News International, they went back to work for the Metropolitan police. There was a revolving door. On the very day that the police decided not to continue with the investigation into what had happened at the *News of the World*, the leading investigator was having dinner with Rebekah Brooks.

6 pm

We do not know all the facts because Lord Justice Leveson rightly said, “I cannot investigate all these elements of corruption in the Metropolitan police and what went on at the *News of the World* until such time as the criminal investigations have been completed.” They are now complete. I reiterate that not only Prime Minister David Cameron made those promises; the then Home Secretary repeatedly, time after time, said in this House that there would be Leveson 2. She did not say that we would have Leveson 2 if it proved necessary, or that we would perhaps have Leveson 2. She said that we would have Leveson 2 and that it would be proceeded with as is necessary according to the law, as the inquiry was originally set up, the moment the criminal investigations were completed.

From the way in which the new Government have conducted themselves, they need to listen to Conservative Members such as the hon. Member for Aldershot

(Sir Gerald Howarth) and the hon. Member for North Herefordshire (Bill Wiggin), who have rightly made the point that the Government are walking themselves into a cul de sac. The truth of the matter is that this House and the other place agreed legislation—section 40 of the Crime and Courts Act 2013—that is yet to be implemented. This House and the other House agreed nearly but not quite unanimously that we would set up a royal charter to put a body in place to decide on the independent regulation of the press. If the royal charter is to be withdrawn, there must be a two thirds majority in this House and a two thirds majority in the House of Lords. That ain't gonna happen. The Government are walking into a cul de sac unless they choose to act and act swiftly.

I believe that the Government should already have implemented section 40. The hon. Member for Aldershot is absolutely right when he comments on the wholly exaggerated campaign being run by the press. The victims of press intrusion were promised something very simple. The hon. Member for North Herefordshire was right to say that this is not about MPs or celebrities. To be honest, I do not give much of a fig about what happens with them. We put ourselves in the public domain—some of us have done it more than others—and to some degree we have it coming. However, what really upset me was when victims of crime had their phones hacked. Why did the Culture, Media and Sport Committee originally do our investigation back in 2003? We did it because the people of Soham felt that their privacy was being invaded by the press and they had no means of saying, “Go away. Leave us alone.” They were the victims and not the perpetrators of crime.

We want something that is very simple: a genuinely independent system of self-regulation. Frankly, IPSO is no better than IPSA. IPSO is exactly the same as the Press Complaints Commission. It has no more teeth than the previous organisation; it has some of the same staff, virtually the same code of conduct and the same structure. It is not independent at all. We want a code of conduct that can be relied on so that the intrusion into the victims of crime stops. We want a right of apology, and for the correction in the newspaper to be given the same prominence as the original offending article. I would have thought that it was in the interests of all the press, at a really difficult time for them, to have a cheap system of rectification.

The only reason why the amendment is on the amendment paper is that we want the Government to stand by the promises they made. I see the Secretary of State for Culture, Media and Sport on the Front Bench. I hope she will not walk us any further down this cul de sac, because it will do the victims of crime no favours. It will do politics no favours because it will look as though we have simply caved in to a nasty, tawdry little campaign by the press.

Sir Peter Bottomley (Worthing West) (Con): Section 40 should not be introduced. To say to 90% of the local, regional and national press that they have to be forced into a group they do not want to join is bullying of the worst kind. If it were to happen in other countries, the Council of Europe would probably say it was interference in the free media.

William Hone, whose life is described in the book “The Laughter of Triumph”, defied criminal libel law. We should remember that our press basically got its

[*Sir Peter Bottomley*]

freedom from that moment, when ordinary people on juries refused to convict because they said that the media ought to have the right to lampoon, to be rude and to investigate. I think that people ought to ask the question: what would be the effect of section 40? Would it increase investigative journalism? No, it would not. It would be a good idea if those backing IMPRESS and section 40 gave a list of successful and wrong defamation cases, including of leading politicians who denied they were drunk overseas and various other criminals who later turned out to be guilty of the things they were accused of by the media.

We rely on the media to find out the things few people know about and make them available to all. The whole effect of section 40 will be to chill the opportunity for the media to investigate and report. That is why I believe this House would be wrong to force the Government to bring in section 40. I hope that we do not and I hope that those in favour of it will find other ways to pursue their own aims.

Richard Graham (Gloucester) (Con): I rise to support, as strongly as I possibly can, the Government's amendment in lieu of Lords amendment 134. It recognises the force of the arguments laid out in the report by my hon. Friend the Member for Cheltenham (Alex Chalk) and I last year, "Stalking: the Case for Extending the Maximum Sentence". The report summarised the work of our researchers. Through them, we met victims, stalking charities, academics and police specialists. Everything we learned confirmed our initial instinct that there are a small number of very dangerous stalkers, such as my constituent Raymond Knight who pursued Cheltenham resident and Gloucester GP, Dr Eleanor Aston, to the point of nervous breakdown.

I pay tribute to the Government for accepting our report and its single recommendation of doubling the maximum sentence for stalking from five to 10 years, for amending the appropriate sections of the Crime and Disorder Act 1998 on racial and religious aggravated harassment in line with the change to the maximum sentence for stalking, and for outlining in correspondence additional training that will be part of the measures to deal with the mental health issues of serious stalkers. I know the Home Office and the Ministry of Justice have worked closely on this together. I am grateful to both Ministers here today for their action.

I also want to thank Gloucestershire-based Baroness Royall in the Lords for her commitment and contribution, and all those who informed us and shared harrowing experiences, including a constituent and her family. I would like to quote from her 16-year-old daughter, who was so egregiously stalked. She told us that the stalker "broke into my house one night...all the knives in the knife stand were gone...I was sure I was going to die."

In this particular case, my constituent and her family prefer to remain anonymous, not least because my constituent has been moved by the police to a safe house far from her home and her own children.

I am extremely grateful to all those who informed us, educated us and motivated us. I suspect the work I have done with my hon. Friend the Member for Cheltenham means that the neighbouring constituencies of Cheltenham and Gloucester have not worked so closely since the

creation of the Cheltenham & Gloucester building society—now, alas, long since gone. It is for a good cause that we come together in support of the Government's change of law.

The Government's amendment in lieu will give judges the flexibility they need. As Dr Aston has said, victims will be able to sleep more easily when the worst stalkers are sentenced and the stalkers themselves will better understand the seriousness of their crime and receive more help in resolving what is a severe obsession and mental health issue. Of course, as the hon. Member for Birmingham, Yardley (Jess Phillips) pointed out, that will not in itself stop stalking, but it shows that victims and judges are being heard, that MPs and ultimately the Government listen and that laws can be changed so that sentences better reflect the harm that a crime can inflict on innocent victims, most of whom, as in the instance that inspired my neighbour and me, are women. Ultimately, justice is only as good as the laws we adapt and the way in which they are implemented. In that context, I pay tribute to the Prime Minister, who made stalking a crime on the statute book when she was Home Secretary, and to the current Home Secretary, who has introduced protection orders against stalkers.

I will finish by returning to where this campaign started: the judge and the victim in Gloucester Crown court. I would like to thank Dr Ellie Aston for inspiring us, for being strong and for having faith; other victims for opening their hearts and sharing their stories; stalking charities, such as the Suzy Lamplugh Trust, the Network for Surviving Stalking, Protection Against Stalking and Paladin; and the Hollie Gazzard Trust, the police and the University of Gloucestershire, which happens to be a leader in research in this sad area. This part of the journey for justice for victims of stalking is now close to over. The hon. Member for Birmingham, Yardley has reminded us that there will always be other issues to be raised and resolved, but today's amendment in lieu deserves everyone's support.

Sir Gerald Howarth: The whole House listened with great respect and interest to my hon. Friends the Members for Cheltenham (Alex Chalk) and for Gloucester (Richard Graham), who have brought to the attention of the House and the country the appalling consequences of stalking. I join others in saluting their efforts to persuade the Government to recognise the gravity of the crime and in reaching this result tonight, which we can all applaud.

I thank the hon. Member for Rhondda (Chris Bryant) for mentioning my intervention on the Minister about section 40 and Lords amendment 24. I will not vote for the amendment tonight, because the Government have agreed to a consultation, and I think it right that that process run, but as I said to the Minister earlier, I hope that the Government will not be intimidated by the campaign by the newspapers that the hon. Gentleman referred to. The newspapers seem struck by an extraordinary sense of paranoia and a feeling of vulnerability, when we all know, from the many cases that have appeared, that they are in the driving seat and have power without a lot of responsibility.

Insufficient attention has been paid to the Leveson inquiry and the subsequent report, which was a detailed and considered piece of work. We should do what the then Prime Minister, David Cameron, said that Parliament

should do. Since the *Aldershot News & Mail* was unwilling to publish my article today, perhaps I can give the House the benefit of it.

Mr Geoffrey Cox (Torrige and West Devon) (Con): My hon. Friend should place a copy in the Library.

Sir Gerald Howarth: My hon. and learned Friend suggests that I put the article in the Library, but when he hears what I have to say, I think he might be better informed, if not wiser, for I cannot account for his wisdom—he is a great man.

Chris Bryant: Division!

Sir Gerald Howarth: He seriously is a very great man.

I wrote this:

“I believe in a free press but I also believe in a responsible press. Sadly, the newspapers are becoming increasingly paranoid about what they see as an attack on them and are refusing to accept the recommendation of the latest inquiry under Lord Justice Leveson that an independent regulator be established. Leveson was set up after an appalling series of intrusions into the private lives of people, which included phone hacking on an industrial scale.”

Milly Dowler’s body was found 200 yards from the boundary of my constituency in a case that really struck the public as appalling.

6.15 pm

Richard Drax (South Dorset) (Con): Phone hacking is brought up again and again by colleagues who, in my view, want to censor the press. Phone hacking is a criminal offence, for which people have gone to jail. There is no need for any further laws.

Sir Gerald Howarth: I have huge respect for my hon. and gallant Friend, but the fact is that the inquiry would not have taken place if phone hacking had not been discovered on what I have described as an industrial scale. People’s engagement with it was utterly immoral, and some went to prison, following legal action, which I think is fine.

My article continues:

“It is hard for those who have not experienced an assault by the media to appreciate the level of distress it causes. I know because some 30 years ago, together with my then colleague Neil Hamilton, I had to sue the BBC Panorama programme for libel—which we won”—

and had the director-general of the BBC fired—

“but at the risk of bankruptcy (and loss of our seats in Parliament) if we lost.”

For the record, our costs—Peter Carter and partners were our lawyers—were something in the region £273,000. So I say to my hon. Friend the Member for Worthing West (Sir Peter Bottomley) that it is all very well for those who have got money. They are able to access justice, but this is all about providing a remedy for those who do not have money and cannot afford to undertake that sort of action. I continue:

“Since 1945, there have been no less than 5 Royal Commissions and enquiries to secure a better and cheaper form of justice for those maligned by powerful media barons.”

Chris Bryant: It is worth bearing in mind that when it came to suing the Metropolitan police to try to ensure that it gave the media information about what had

happened to me, my costs were £380,000. My costs for suing Rupert Murdoch were £480,000. In both cases, because it was an no-win, no-fee arrangement, I did not have to pay anything. However, those no-win, no-fee arrangements are no longer available in these cases.

Sir Gerald Howarth: I agree with the hon. Gentleman’s point.

I was mentioning the five royal commissions and inquiries since 1945. The article continues:

“Time and again, reports threatened new laws if the industry failed to sort itself out, time and again the industry failed. In his 1993 report, Sir David Calcutt, QC said of the then regulator, the Press Complaints Commission: ‘It is not...an effective regulator of the press...It is, in essence, a body set up by the industry, financed by the industry, dominated by the industry, and operating a code of practice devised by the industry and which is over-favourable to the industry’.

In 2012, Leveson recommended that newspapers should continue to be self-regulated and that the Government should have no power over what they publish. However, he also proposed a new press standards body created by the industry with a new code of conduct. The new self-regulatory body should be underpinned by a law to provide for a process to recognise the new body and ensure it meets certain requirements. It should also enshrine in law a legal duty to protect the freedom of the press and to ‘provide a fair, quick and inexpensive arbitration service to deal with any civil complaints about its members’ publications’. Ofcom should act in a verification role to ensure independence and effectiveness.”

There we have it. There is a proposal on the table that IPSO is perfectly at liberty to take up in respect of a cheap arbitration service. The other point is that it should not be dominated by former press people, but that is exactly what IPSO is all about. I am not specifically advocating IMPRESS, but I see no reason why IPSO should not be able to organise itself in such a way that it is compliant. Instead, it has set up a body dominated by former editors, which does not meet the Leveson conditions. The Government are right to consult, but I really do not believe that the newspapers have anything to fear from these proposals. I believe that they will be in the interests of the press but, above all, they will provide a remedy for those who cannot afford to seek a remedy. Surely our responsibility is to remedy injustice.

Mr Cox: My hon. Friend knows how much I return his respect, and he knows that I would normally regard him as an infallible guide to almost everything in the planet, but in this instance I think that suggesting that IPSO is dominated by press editors when its presiding spirit is Sir Alan Moses—Lord Justice Moses, a very fine judge who is vigorously and fiercely independent—is over-emphasising the point.

Sir Gerald Howarth: I am grateful for my hon. and learned Friend’s belief in my infallibility, and I assure him that he should not be misguided, because I am infallible in this instance as well. Let me respond to his point by saying that although there may be an eminent judge in the driving seat, the fact is that the membership is dominated by press and former press people. They are in the majority.

Mr John Whittingdale (Maldon) (Con): That is not true.

Sir Gerald Howarth: It is true. Seven of the 12 are former press people, and that does not meet the Leveson conditions. Let us just meet the Leveson conditions: then we shall all be happy.

Kevin Foster (Torbay) (Con): It is a pleasure to speak in the debate, and, in particular, to follow some of the passionate speeches we have heard. I intended to focus on Lords amendments 136 to 142, but my thoughts have been drawn to comments that have been made about the press in the context of other amendments.

We have heard about the *Aldershot News & Mail*, but each week thousands of homes in Torbay receive a publication that reports on local news and local issues and gives the odd opinion on them. It is called “my weekly e-mail update”, and is subject only to libel laws, and to what I am happy to talk about and defend as the local Member of Parliament.

I think we should bear it in mind that we are living in a completely different era, when more and more of the media is moving online. There can be no such thing as a press regulator when there is no press—when websites can be based anywhere in the world and it is difficult to track them down even under our own libel laws, let alone regulate them. The era when people walked down to the newsagent each morning and again each evening to buy a local newspaper has pretty much come to an end. The fake news stories about which people talk—especially in connection with recent elections in the United States—were not put out by newspapers. They were not published by print media; they were published by various people online. There are websites that are effectively “clickbait”, featuring misleading headlines that people will merrily share or stories that do not really get to the nub. A story involving an hon. Member was recently circulated online. Anyone who knew the facts would know that it was flagrantly misleading, but that would not be clear to people who just read the headline online. Will that story be affected by press regulation? No. It is nothing to do with press regulation, because it is not printed material.

When we debate these matters, we must be aware that the era when only a press publication could circulate a story has disappeared. We should think about what we are doing when it comes to a special system that puts them at a disadvantage, given that, increasingly, they are no longer as dominant as they were. It is more likely that local newspapers will close than that they will find themselves being the arbiters of all opinion. Most constituents are more than able to use their own common sense and take many of the claims that they see both online and in the print media with a pinch of salt, but we have libel laws, and we need to remember that.

Chris Bryant: I have heard many times the argument that the libel laws are there, and that it is all very fine and dandy. The truth is, however, that the people of Hillsborough had no legal remedy whatsoever. They had no opportunity to respond to the lies—not libels, because the people concerned were dead—that were told about them for many, many years. That is why we need a proper press regulator that is independent of Government, independent of politics, and independent of the proprietors.

Kevin Foster: The fact is that someone who wanted to spread mistruths today would do it on the internet, and that would not be covered by either of the proposed systems of press regulation. We would probably now see a story of that type circulating on the internet, whereas in the 1980s the internet was something that a few

universities used, and the worldwide web was something that United States military had developed for the purpose of its own communications in the event of world war three. It was not as we see it today. That shows why we need to be conscious of today’s position on the media and legislation. The industry, in many cases, particularly the local media, is struggling to survive and is in decline and we do not want to end up throwing out the baby with the bathwater because of the horrendous practices of one or two newspapers, in particular *The Sun* in that instance.

I wanted to talk mainly about amendments 136 to 142. I listened with interest to the hon. Member for Birmingham, Yardley (Jess Phillips). She has a valid point when she says it is easy to put things that sound marvellous and fantastic on to goat skins, but the difference that makes on the ground is another matter. That is why I agree with the Government’s motion to disagree with the Lords amendments.

Some of the provisions of Lords amendment 137, for example, are relatively vague. “Adequate notice” is not defined. There is also the provision potentially making the police and other authorities liable for any “unnecessary delay”; how can the police be held liable if it is the defence that engages in delay? The judiciary have the role of preventing court cases from being unnecessarily delayed.

Jess Phillips: The whole point of these amendments is that all the actors in the criminal justice system—the courts, the CPS, the defence, or the police—have a responsibility. These provisions would make the monitoring of how well they are doing more robust. It does not matter who is to blame; what we want is the victim to be given the information.

Kevin Foster: The amendment talks about ensuring that victims of crime are “not subjected to unnecessary delay”; it does not talk about monitoring. I accept that if we were looking at having a system of guidance, for instance, proposing “must ensure” would be putting something on to the statute book. For me, ensuring victims of crime are supported through the court process would be more beneficial than these amendments. In addition, people now have police and crime commissioners whom they can hold to account for the work they do.

This is a large group of amendments and we could spend quite some time talking about it. I do not believe that adding these amendments to the Bill is the right way forward. We should look at having a properly consulted-on system that does not have unintended consequences. That is why I agree with the Government motion to disagree with the Lords amendments.

Bill Wiggin: I will not delay the House for long. I want to heap praise on the Secretary of State for not giving in to the pressure of the media moguls, and, although we are putting a consultation out, we are determined that no grass shall grow. I want her to be very clear that we truly appreciate what she has done.

Colleagues who are unhappy about amendment 24 ought to pay more attention to the brilliance of my right hon. Friend the Member for West Dorset (Sir Oliver Letwin), who has put together a fantastic plan for

dealing with this thorny issue. If they gave it their full attention, they would, like me, want to see section 40 implemented.

The Press Recognition Panel is completely independent, and given amendment 24 and the concerns being shown by their lordships—

Mr Rees-Mogg: Will my hon. Friend give way?

Bill Wiggin: I will be delighted to give way to my hon. Friend.

Mr Rees-Mogg: I am so sorry to disagree with my hon. Friend, but the Press Recognition Panel is not independent; it is the creation, under a royal charter, ultimately of the Crown and therefore of the state.

Bill Wiggin: It is still independent because it does not choose who and what is the regulator; it determines only that the regulator is independent. It is perfectly acceptable. I know my hon. Friend is very keen to defend the press, but this whole instrument does exactly that.

My hon. Friend the Member for Aldershot (Sir Gerald Howarth) emphasised the point that the local press in particular would be very vulnerable if it was not regulated—*[Interruption.]* Yes, it would. The regulator will protect it from having to pay the costs. This is why colleagues should really study what my right hon. Friend the Member for West Dorset has put together. It is much, much better than they might originally have thought.

6.30 pm

The claims from the Hillsborough victims for Lords amendment 24 are deeply touching, and I wish the wording of the amendment was easier to support. This was touched on by the hon. Member for Rhondda (Chris Bryant). My instinct is to support the victims of Hillsborough, but the wording of the amendment is not adequate. It proposes giving the Government a month to commission an inquiry, for example. My hon. Friend the Minister did a superb job in answering some of these points. The amendment is not good enough, but that does not mean that this matter ends here. I implore the Government to keep on with the good work that they are doing to ensure that we protect the freedoms of the press—the local press in particular—and, most of all, that we have a low-cost arbitration system, which will ultimately benefit everybody.

Mr Whittingdale: I had not intended to take part in the debate, but I want to say a few words about Lords amendment 24. A lot of the debate so far seems to have been about whether section 40 should be implemented, but that does not actually have anything to do with Lords amendment 24, which is specifically about whether there should be a further inquiry into the behaviour and performance of the police in relation to their dealings with news organisations.

Leveson 2, as it is now colloquially known, has been put on hold until the conclusion of all the criminal cases, and the amendment rightly recognises that it would be wholly wrong to have any kind of inquiry that could jeopardise criminal prosecutions. However, most of those prosecutions have now been concluded and it is

worth looking at the outcomes of those prosecutions when deciding whether there is a case for proceeding. Operation Elveden, which was the police investigation into corrupt payments from newspaper organisations, overwhelmingly resulted in the acquittal of the journalists who had been charged with those offences. I think only two journalists were convicted; the vast majority were acquitted. We need to bear that in mind, because the suggestion that there was a massive corrupt relationship has not proven to be the case.

The hon. Member for Rhondda (Chris Bryant) talks about the importance of weeding out police corruption and of having confidence in an institution of the state. I completely agree with him on that. I want to refer briefly to the case made by the relatives of Daniel Morgan when considering whether there should be a further inquiry. I have every sympathy with the family of Daniel Morgan, who was murdered, because there was considerable evidence of police corruption. I can entirely understand their wish to have his killers brought to justice. A Home Office panel is examining that case at the moment, and we await its conclusion. It may well be that further action needs to be taken to deal with police corruption, and I shall wait to see what the panel concludes. Let us bear in mind that the Leveson inquiry was an inquiry into the culture, ethics and conduct of the press. It was not an inquiry into police corruption.

The main issue that has dominated the debate has been the implementation of section 40, which is not covered by this amendment. I share the views that have been extremely well expressed by my hon. Friends the Members for Worthing West (Sir Peter Bottomley) and for Torbay (Kevin Foster). However, the Secretary of State has set up a consultation. It concluded today, but it will take some considerable time before the results are made public. I believe that there has been a very substantial response to the consultation, so I do not expect the Government to be in a position to announce any conclusions about the implementation of section 40 or about whether there should be a further inquiry until that work has been done. I suspect that it will take several weeks, if not months. It seems entirely premature to table an amendment requiring the Government to commit now to a further inquiry when we have not even begun to assess the results of the consultation. For that reason, I strongly oppose Lords amendment 24.

James Berry (Kingston and Surbiton) (Con): I support Government amendment (a) in lieu of Lords amendment 134. Having heard the hard-hitting accounts of my hon. Friends the Members for Cheltenham (Alex Chalk) and for Gloucester (Richard Graham) in their report on stalking, no one can be left in any doubt that the Government amendment should be carried.

Turning to Lords amendment 137, having represented the police and the prosecutorial authorities as a barrister, and having represented victims both as a barrister and as a Member of Parliament, I hope I can see the situation from both angles. I am entirely supportive of the victims code. Victims have generally been empowered since the code came into force as a result of steps taken by the previous Labour Government, and the beefing up carried out by the coalition Government and the Government of today.

My concern about Lords amendment 137 is that it would make the police and prosecutorial authorities responsible, and in some cases financially liable, for

[James Berry]

breaches of the victims code, even if they are not directly responsible. Under new subsection (3)(a), for instance, the police or the CPS could become responsible to a victim for delays caused not by them but by a third party, such as the defendant. Under new subsection (3)(b), the CPS could be held responsible if a defendant, or indeed another party over whom it has no control, treats a victim with a lack of “dignity and respect”. That often happens in the courtroom when a defendant gives evidence, or even through how a defendant instructs their lawyer to present their case, but that is a matter for the judge, not the prosecutor, to control.

New subsection (10) is even more concerning because it would require the Home Secretary to

“take steps to ensure that victims of crime...have access to financial compensation from public funds for any detriment arising from the criminal case concerned”.

That is not necessarily a detriment caused by the prosecuting authority, and there is no requirement of bad faith, recklessness or negligence on behalf of that authority. That is a big step both in principle and in practice. It is a big step in principle because it appears to impose a liability on one body for the actions of a third party over whom it may have no control, and it is a big step in practice because it exposes the police and prosecuting authorities to a significant financial burden at a time when we regularly have debates in this House on the need for greater funding for the police and the CPS. Paragraph 128 of the explanatory notes on the amendments explains that “potentially significant” financial burdens are attached.

Although I am an enthusiastic supporter of the victims code and the need to give victims the very best support, imposing a broadly defined liability—indeed, a financial liability—on the police and the CPS is not the right way to proceed without more thought about furthering the aims of the code. More thought is needed, and I am pleased that the Government will be introducing their own proposals to give effect to our manifesto commitment for a victims’ bill of rights. I am sure that that work will take account of the excellent work of the hon. and learned Member for Holborn and St Pancras (Keir Starmer) and his commission. I pay tribute to his work and to all the people involved, including a number of my constituents.

Question put, That this House disagrees with Lords amendment 24.

The House proceeded to a Division.

Madam Deputy Speaker (Natascha Engel): I must remind the House that the motion relates exclusively to England and Wales. A double majority is therefore required.

The House having divided: Ayes 299, Noes 196.

Votes cast by Members for constituencies in England and Wales: Ayes 296, Noes 190.

Division No. 119]

[6.38 pm

AYES

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

Argar, Edward	Evans, Mr Nigel
Atkins, Victoria	Evennett, rh David
Bacon, Mr Richard	Fabricant, Michael
Baker, Mr Steve	Fallon, rh Sir Michael
Baldwin, Harriett	Fernandes, Suella
Barclay, Stephen	Field, rh Mark
Barwell, Gavin	Foster, Kevin
Bebb, Guto	Fox, rh Dr Liam
Benyon, Richard	Frazer, Lucy
Beresford, Sir Paul	Freeman, George
Berry, Jake	Freer, Mike
Berry, James	Fuller, Richard
Bingham, Andrew	Fysh, Marcus
Blackman, Bob	Gale, Sir Roger
Blackwood, Nicola	Garnier, rh Sir Edward
Bone, Mr Peter	Garnier, Mark
Borwick, Victoria	Gauke, rh Mr David
Bottomley, Sir Peter	Gibb, Mr Nick
Bradley, rh Karen	Gillan, rh Mrs Cheryl
Brady, Mr Graham	Glen, John
Brazier, Sir Julian	Goodwill, Mr Robert
Bridgen, Andrew	Gove, rh Michael
Bruce, Fiona	Graham, Richard
Buckland, Robert	Grant, Mrs Helen
Burns, Conor	Gray, Mr James
Burns, rh Sir Simon	Grayling, rh Chris
Burrowes, Mr David	Green, Chris
Burt, rh Alistair	Green, rh Damian
Cairns, rh Alun	Greening, rh Justice
Campbell, Mr Gregory	Grieve, rh Mr Dominic
Cartlidge, James	Griffiths, Andrew
Cash, Sir William	Gummer, rh Ben
Caulfield, Maria	Gyimah, Mr Sam
Chalk, Alex	Halfon, rh Robert
Chishti, Rehman	Hall, Luke
Chope, Mr Christopher	Hancock, rh Matt
Churchill, Jo	Hands, rh Greg
Clark, rh Greg	Harper, rh Mr Mark
Cleverly, James	Harrington, Richard
Clifton-Brown, Geoffrey	Harris, Rebecca
Coffey, Dr Thérèse	Hart, Simon
Collins, Damian	Haselhurst, rh Sir Alan
Colville, Oliver	Hayes, rh Mr John
Courts, Robert	Heald, rh Sir Oliver
Cox, Mr Geoffrey	Heapey, James
Crabb, rh Stephen	Heaton-Jones, Peter
Crouch, Tracey	Henderson, Gordon
Davies, Chris	Herbert, rh Nick
Davies, David T. C.	Hinds, Damian
Davies, Glyn	Hoare, Simon
Davies, Dr James	Hollingbery, George
Davies, Mims	Hollinrake, Kevin
Davies, Philip	Hollobone, Mr Philip
Davis, rh Mr David	Holloway, Mr Adam
Dinenage, Caroline	Hopkins, Kris
Dodds, rh Mr Nigel	Howell, John
Donaldson, rh Sir Jeffrey M.	Howlett, Ben
Donelan, Michelle	Huddleston, Nigel
Dorries, Nadine	Hunt, rh Mr Jeremy
Double, Steve	Hurd, Mr Nick
Dowden, Oliver	Jackson, Mr Stewart
Doyle-Price, Jackie	James, Margot
Drax, Richard	Javid, rh Sajid
Drummond, Mrs Flick	Jayawardena, Mr Ranil
Duncan Smith, rh Mr Iain	Jenkin, Mr Bernard
Dunne, Mr Philip	Jenkyns, Andrea
Ellis, Michael	Jenrick, Robert
Ellison, Jane	Johnson, rh Boris
Ellwood, Mr Tobias	Johnson, Dr Caroline
Elphicke, Charlie	Johnson, Gareth
Eustice, George	Johnson, Joseph
Evans, Graham	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
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Sir Oliver
 Lewis, rh Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Sir Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 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
 Offord, Dr Matthew
 Opperman, Guy
 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
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Dame Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stewart, Bob
 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
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Turner, Mr Andrew
 Tyrrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike

Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
Steve Brine and
Chris Heaton-Harris

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Allin-Khan, Dr Rosena
 Anderson, Mr David
 Bailey, Mr Adrian
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Blenkinsop, Tom
 Blomfield, Paul
 Brabin, Tracy
 Brake, rh Tom
 Brennan, Kevin
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Cadbury, Ruth
 Campbell, rh Mr Alan
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Jenny
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Coaker, Vernon
 Cooper, rh Yvette
 Coyle, Neil
 Causby, Sir David
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cunningham, Alex
 Cunningham, Mr Jim
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 De Piero, Gloria
 Debonnaire, Thangam
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise
 Elmore, Chris
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline

Flynn, Paul
 Fovargue, Yvonne
 Furniss, Gill
 Gapes, Mike
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Green, Kate
 Greenwood, Margaret
 Griffith, Nia
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hepburn, Mr Stephen
 Hillier, Meg
 Hopkins, Kelvin
 Howarth, rh Mr George
 Huq, Dr Rupa
 Hussain, Imran
 Jarvis, Dan
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kendall, Liz
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Mr Ivan
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 Mactaggart, rh Fiona
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Gordon
 Maskell, Rachael
 Matheson, Christian
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonnell, Dr Alasdair
 McDonnell, rh John
 McGovern, Alison
 McInnes, Liz
 McMahan, Jim
 Meale, Sir Alan
 Miliband, rh Edward
 Moon, Mrs Madeleine

Morden, Jessica
 Mulholland, Greg
 Murray, Ian
 Nandy, Lisa
 Olney, Sarah
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Owen, Albert
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Powell, Lucy
 Pugh, John
 Rayner, Angela
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Ritchie, Ms Margaret
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sheerman, Mr Barry
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat

Smith, Jeff
 Smith, Nick
 Smith, Owen
 Spellar, rh Mr John
 Starmer, Keir
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thomas-Symonds, Nick
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Watson, Mr Tom
 West, Catherine
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Noes:

**Nic Dakin and
 Vicky Foxcroft**

Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, rh Karen
 Brady, Mr Graham
 Brazier, Sir Julian
 Bridgen, Andrew
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, rh Alun
 Campbell, Mr Gregory
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Courts, Robert
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dinanage, Caroline
 Dodds, rh Mr Nigel
 Donaldson, rh Sir Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 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
 Foster, Kevin
 Fox, rh Dr Liam
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, rh Mr David
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 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-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 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, Dr Caroline
 Johnson, Gareth

Question accordingly agreed to.

Lords amendment 24 disagreed to.

6.54 pm

More than 90 minutes having elapsed since the commencement of proceedings on consideration of Lords amendments, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83F).

After Clause 110

POLICE AND CRIME COMMISSIONERS: PARITY OF
 FUNDING AT INQUESTS

Motion made, and Question put, That this House disagrees with Lords amendment 96.—(Brandon Lewis.)

The House proceeded to a Division.

Madam Deputy Speaker (Natascha Engel): I must remind the House that the motion relates exclusively to England and Wales. A double majority is therefore required.

The House having divided: Ayes 297, Noes 202.

Votes cast by Members for constituencies in England and Wales: Ayes 290, Noes 195.

Division No. 120]

[6.55 pm

AYES

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

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
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Sir Oliver
 Lewis, rh Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Sir Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 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
 Offord, Dr Matthew
 Opperman, Guy
 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
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Dame Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stewart, Bob
 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
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Turner, Mr Andrew
 Tyrrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike

Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
 Steve Brine and
 Chris Heaton-Harris

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Allin-Khan, Dr Rosena
 Anderson, Mr David
 Bailey, Mr Adrian
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Blenkinsop, Tom
 Blomfield, Paul
 Brabin, Tracy
 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
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Jenny
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Coaker, Vernon
 Cooper, rh Yvette
 Coyle, Neil
 Causby, Sir David
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cunningham, Alex
 Cunningham, Mr Jim
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 De Piero, Gloria
 Debbonaire, Thangam
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise
 Elmore, Chris
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Farron, Tim
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline

Flynn, Paul
 Fovargue, Yvonne
 Furniss, Gill
 Gapes, Mike
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Green, Kate
 Greenwood, Margaret
 Griffith, Nia
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hoey, Kate
 Hopkins, Kelvin
 Howarth, rh Mr George
 Huq, Dr Rupa
 Hussain, Imran
 Jarvis, Dan
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kendall, Liz
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammey, rh Mr David
 Lavery, Ian
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Mr Ivan
 Lewis, rh Dr Julian
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 Mactaggart, rh Fiona
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Gordon
 Maskell, Rachael
 Matheson, Christian
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonnell, Dr Alasdair
 McDonnell, rh John
 McGovern, Alison
 McInnes, Liz
 McMahon, Jim

Meale, Sir Alan
 Miliband, rh Edward
 Moon, Mrs Madeleine
 Morden, Jessica
 Mulholland, Greg
 Murray, Ian
 Nandy, Lisa
 Olney, Sarah
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Owen, Albert
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Rayner, Angela
 Reed, Mr Steve
 Rees, Christina
 Reeves, Rachel
 Reynolds, Emma
 Ritchie, Ms Margaret
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sheerman, Mr Barry
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Smith, rh Mr Andrew

Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Spellar, rh Mr John
 Starmer, Keir
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thomas-Symonds, Nick
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Walker, Mr Charles
 Watson, Mr Tom
 West, Catherine
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Noes:

**Nic Dakin and
 Vicky Foxcroft**

Barwell, Gavin
 Bebb, Guto
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, rh Karen
 Brady, Mr Graham
 Brazier, Sir Julian
 Bridgen, Andrew
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burt, rh Alistair
 Cairns, rh Alun
 Campbell, Mr Gregory
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Courts, Robert
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dinenage, Caroline
 Dodds, rh Mr Nigel
 Donaldson, rh Sir Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Elliott, Tom
 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

Fox, rh Dr Liam
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Gauke, rh Mr David
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, rh Ben
 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-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 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, Dr Caroline
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Kirby, Simon
 Knight, Julian

Question accordingly agreed to.

Lords amendment 96 disagreed to.

Lords amendment 134 disagreed to.

Government amendment (a) made in lieu of Lords amendment 134.

After Clause 145

CORONERS' INVESTIGATIONS INTO DEATHS: MEANING OF
 "STATE DETENTION"

Motion made, and Question put, That this House disagrees with Lords amendment 136.—(Brandon Lewis.)

The House proceeded to a Division.

Madam Deputy Speaker (Natascha Engel): I must remind the House that the motion relates exclusively to England and Wales. A double majority is therefore required.

The House having divided: Ayes 298, Noes 198.

Votes cast by Members for constituencies in England and Wales: Ayes 289, Noes 193.

Division No. 121]

[7.13 pm

AYES

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

Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Sir Oliver
 Lewis, rh Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Sir Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 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
 Offord, Dr Matthew
 Opperman, Guy
 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
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Dame Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stewart, Bob
 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
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:

Steve Brine and
 Chris Heaton-Harris

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Allin-Khan, Dr Rosena
 Anderson, Mr David
 Bailey, Mr Adrian
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Blenkinsop, Tom
 Blomfield, Paul
 Brabin, Tracy
 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
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Jenny
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Coaker, Vernon
 Cooper, rh Yvette
 Coyle, Neil
 Crausby, Sir David
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cunningham, Alex
 Cunningham, Mr Jim
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 De Piero, Gloria
 Debonnaire, Thangam
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Elmore, Chris
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Farron, Tim
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Furniss, Gill
 Gapes, Mike
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Green, Kate
 Greenwood, Margaret
 Griffith, Nia
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hoey, Kate
 Hopkins, Kelvin
 Howarth, rh Mr George
 Huq, Dr Rupa
 Hussain, Imran
 Jarvis, Dan
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kendall, Liz
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Mr Ivan
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 Mactaggart, rh Fiona
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Gordon
 Maskell, Rachael
 Matheson, Christian
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonnell, Dr Alasdair
 McDonnell, John
 McGovern, Alison
 McInnes, Liz
 McMahon, Jim
 Meale, Sir Alan
 Miliband, rh Edward
 Moon, Mrs Madeleine
 Morden, Jessica
 Mulholland, Greg
 Murray, Ian
 Nandy, Lisa
 Olney, Sarah
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Owen, Albert
 Pearce, Teresa

Pennycook, Matthew	Starmer, Keir
Perkins, Toby	Stevens, Jo
Phillips, Jess	Streeting, Wes
Phillipson, Bridget	Stringer, Graham
Pound, Stephen	Tami, Mark
Powell, Lucy	Thomas-Symonds, Nick
Pugh, John	Timms, rh Stephen
Rayner, Angela	Trickett, Jon
Reed, Mr Steve	Turley, Anna
Rees, Christina	Turner, Karl
Reeves, Rachel	Twigg, Derek
Reynolds, Emma	Twigg, Stephen
Ritchie, Ms Margaret	Umunna, Mr Chuka
Robinson, Mr Geoffrey	Vaz, rh Keith
Rotheram, Steve	Vaz, Valerie
Ryan, rh Joan	Watson, Mr Tom
Saville Roberts, Liz	West, Catherine
Shah, Naz	Whitehead, Dr Alan
Sheerman, Mr Barry	Williams, Hywel
Sherriff, Paula	Williams, Mr Mark
Shuker, Mr Gavin	Wilson, Phil
Siddiq, Tulip	Winnick, Mr David
Skinner, Mr Dennis	Winterton, rh Dame Rosie
Smith, rh Mr Andrew	Woodcock, John
Smith, Angela	Wright, Mr Iain
Smith, Cat	Zeichner, Daniel
Smith, Jeff	
Smith, Nick	Tellers for the Noes:
Smith, Owen	Nic Dakin and
Spellar, rh Mr John	Vicky Foxcroft

Question accordingly agreed to.

Lords amendment 136 disagreed to.

Lords amendments 137 to 142, 159 and 302 disagreed to.

Lords amendment 305 disagreed to.

Government amendment (a) made in lieu of Lords amendment 305.

Lords amendment 307 disagreed to.

Clause 2

DUTIES IN RELATION TO COLLABORATION AGREEMENTS

7.30 pm

Brandon Lewis: I beg to move, That this House agrees with Lords amendment 1.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to take Lords amendments 2 to 23, 25 to 95, 97 to 133, 135, 143 to 158, 160 to 301, 303, 304 and 306.

Brandon Lewis: I am conscious that this group covers approaching 300 Lords amendments, even if many are of a technical nature, and I appreciate that hon. Members would no doubt like me to go through all 300, but time is short, so, tempting as it might be, I will confine my remarks to the most significant amendments, so that other hon. Members may have an opportunity to speak.

On Report, way back in April and June of last year, a number of my hon. Friends tabled amendments worthy of further consideration. The Lords amendments follow up on that work. My hon. Friend the Member for Cannock Chase (Amanda Milling) argued that when a police and crime commissioner took over the governance of a fire and rescue authority, the title of their office

should be amended to reflect their new and expanded responsibilities. Lords amendment 215 provides that in such circumstances the legal title of the PCC will become police, fire and crime commissioner. My hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) proposed a number of sensible further improvements to our firearms licensing regime, and I am pleased to say that Lords amendments 111 to 113 give effect to three of his helpful suggestions.

My hon. Friend the Member for Selby and Ainsty (Nigel Adams) highlighted the dangers to music festival goers as a result of the irresponsible discharging of fireworks, flares and smoke bombs in the often confined space of a festival venue. Lords amendment 114 would tackle such reckless behaviour by making it an offence to possess a pyrotechnic article at a qualifying musical event. As my right hon. Friend the Secretary of State for Culture, Media and Sport indicated in April, we will ensure that this new offence is in force for this year's festival season. My right hon. and learned Friend the Member for Harborough (Sir Edward Garnier) sought to strengthen police powers to require the removal of disguises where there was a threat to public order. Lords amendment 94 will enable the required authorisation by a senior officer for the exercise of such powers to be given orally where it is impractical to confer the authorisation in writing.

Other Lords amendments respond to points raised by Opposition Members. The hon. Member for West Ham (Lyn Brown) expressed concerns about PCCs taking on the governance of fire and rescue authorities. In response to similar concerns raised in the Lords, amendments 193 to 199, among others, strengthen the process by which a PCC brings forward a proposal for the creation of a PCC-style FRA to ensure that it is as robust and transparent as possible. She separately argued for a strengthening of the Licensing Act 2003 by putting cumulative impact assessments on a statutory footing. We agree, and Lords amendment 117 does just that.

Lords amendments 30 to 33 deliver on the commitment given by my predecessor on Report to amend the Bill to allow disciplinary action to be taken against former police officers outside the normal 12-month period following retirement or resignation in the most serious and exceptional cases. Lords amendments 36 to 42, among others, respond to representations from the Independent Police Complaints Commission and, indeed, from Opposition parties that the reformed organisation should retain the word "Independent" in its title. As a result of these amendments, the reformed IPCC will henceforth be known as the Independent Office for Police Conduct. This will help to reinforce public confidence that the reformed organisation will be fully independent of those it regulates.

On Report, the hon. Member for Stockport (Ann Coffey) argued that the current law requiring a coroner's inquest in every case where a person dies under a deprivation of liberty safeguard, even where the death was from natural causes, caused unnecessary upset to bereaved families.

Dame Rosie Winterton (Doncaster Central) (Lab): I wish to say how welcome amendment 135 is. As the Minister said, my hon. Friend the Member for Stockport (Ann Coffey) was particularly aware of the pressures this was placing not just on coroners but on social

services. I am also extremely glad that my hon. Friend the Member for West Ham (Lyn Brown) on the Front Bench is, as I understand it, supporting the amendment as well.

Brandon Lewis: I thank the right hon. Lady for her remarks. Yes, we agree, and amendment 135 therefore removes the automatic requirement for a coroner's investigation in such cases. There will be a continued duty on a coroner to investigate any death where there is a suspicion that it might have resulted from violence or unnatural causes or where the cause of death is unknown.

Last, but certainly not least, and importantly, Lords amendments 124 to 132 would right the wrongs suffered by gay and bisexual men who were for centuries persecuted under homophobic laws for conduct that society now regards as normal activity. These amendments will confer an automatic pardon on deceased individuals convicted of certain consensual gay sexual offences that would not be offences today, and on those persons still living who have a conviction for such an offence that has been disregarded under the terms of the Protection of Freedoms Act 2012.

The amendments will also enable the disregard scheme to be extended, by regulations, to cover other abolished offences used to target homosexual activity, including the offence of solicitation by men under section 32 of the Sexual Offences Act 1956. These provisions will extend to Northern Ireland as well as to England and Wales, with the Scottish Government having separately announced its intention to bring forward legislation in the Scottish Parliament.

At this point, I want to take the opportunity to apologise unreservedly, on behalf of the Government, to all those men who will receive a pardon. The legislation under which they were convicted and cautioned was discriminatory and homophobic. I want to make sure that all who were criminalised in this way and had to suffer society's opprobrium, and the many more who lived in fear of being so criminalised because they were being treated in a very different way from heterosexual couples, actually understand that we offer this full apology. Their treatment was entirely unfair. What happened to these men is a matter of the greatest regret, and it should be so to all of us. I am sure it is to Members across the House. For this, we are today deeply sorry.

This is an historic and momentous step, one of which we can all be justly proud. I pay particular tribute to the Under-Secretary of State for Justice, my hon. Friend the Member for East Surrey (Mr Gyimah), who is the Minister responsible for prisons and probation, for the work he has done in government to make this happen. For his campaigning from the Back Benches, I would particularly like to mention, among others, the hon. Member for East Dunbartonshire (John Nicolson).

These Lords amendments improve and enhance the Bill, so I wholeheartedly commend them all to the House.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): I rise to speak to this large group of amendments. In moving on to making what I hope will be brief remarks, I have to say how disappointed I am that the Government were not willing to move on the question of parity of funding, which is an issue not just for groups of families involved in Hillsborough, but, as the

hon. Member for Broxbourne (Mr Walker) pointed out, for individual families whose family members die in police custody. This relates to the previous group of amendments, but I wanted to make that point.

Some amendments in this group are welcome. We support the new emphasis on the independence of the new Office for Police Conduct, given the central role it will play in ensuring that the police are held to appropriately high standards. I am glad this has finally been recognised by the Government, and I pay tribute to the work of my noble Friend Lord Rosser.

We are also pleased that anonymity for victims of forced marriage will now be extended to Northern Ireland, following the request by the Northern Ireland Minister of Justice. There is also a number of sensible and straightforward improvements to the regulation of firearms, including a clarification of the laws around antique firearms, and alterations of the definition of airsoft guns that should improve public safety.

I also welcome the Government's support for amendments to clause 28 that make it possible for investigations into the most serious misconduct to take place more than a year after the relevant officers have left the service. Credit is due in particular to my right hon. Friend the Member for Leigh (Andy Burnham) for his consistent arguments in favour of this reform. Families and communities who have been the victims of injustices in the past can be reassured that, in future, time need not run out on the service's own disciplinary procedures.

Amendments 94 and 300 grant police officers the power to order a person to remove an item of clothing that is disguising their identity if a senior officer gives them oral permission to do so. This is obviously a practical measure, but we want some reassurance that this power will not be applied indiscriminately to Muslim women who are simply observing their religious beliefs, yet get caught up in the investigation of a crime. We would like the Government to consider ensuring that it is made absolutely clear in police training that the sole proper use of this power is to remove items of clothing that are purposely worn as a disguise. I ask the Government to look again at the language of the 1994 Act and to clarify to prevent such abuse.

The amended Bill also contains provisions for posthumous pardons for the victims of unjust laws that have subsequently been repealed. The Minister made a gracious reference to the work of the hon. Member for East Dunbartonshire (John Nicolson), who has tabled a private Member's Bill on the issue. There is much to welcome in this set of amendments. My noble Friend Lord Kennedy, along with Lord Sharkey, Baroness Williams and others, played a key role in the debate. Lord Cashman made the amendments more comprehensive in scope by including the many men who had been unjustly targeted, and Lord Lexden supported the extension of the legislation to Northern Ireland. Those contributions would have enormously enriched any legislation on this topic.

Labour Members are pleased that the Government have apologised, and support the pardons for wrongfully convicted gay men who have now died. Placing an unnecessary bureaucratic burden on victims of injustice was clearly wrong. We also praise the expertise that has featured in the process and the debate. Although we believe that the Government could have gone further—especially in relation to the issue of pardons for people

[*Ms Diane Abbott*]

who were convicted under sexual offences legislation in the past purely because they were homosexual—we do not oppose their amendments.

Mindful of the fact that this is the last group of amendments we shall discuss before the Bill returns to the other place, I want to pay particular tribute to the expert views that have contributed to its progress. Many retired and serving police officers have made excellent contributions both here and in the other place, along with many learned members of the judiciary, and that has been reflected in the quality of the debate. It is important to note the expert nature of those contributions because in recent months some disdain has been expressed for expertise, although when it comes to police and criminal policy, expertise does not go amiss.

Nigel Adams (Selby and Ainsty) (Con): I want to speak briefly about Lords amendment 114. Let me take this opportunity to thank the Minister, the current Secretary of State in her former guise as a Home Office Minister, and the Prime Minister in her previous role as Home Secretary for the work that they did with me in making the amendment possible. Provision for parity in law between people who let off fireworks, flares and smoke bombs at football matches and people who do so at music festivals is a step in the right direction. Every year hundreds of people are maimed and injured by flares, and I appreciate all the Government's efforts. The amendment provides a good example for any Member who is thinking of trying to introduce a ten-minute rule Bill. It proves that laws can be changed in that way, as long as Members work closely with Ministers—and, in this case, Home Secretaries.

Brandon Lewis: I am grateful to my hon. Friend for thanking all who have been involved. He should be thanked as well, not just for the work that he did on his own account but for his work in bringing organisations together, so that they could act constructively to produce a workable provision.

Nigel Adams: I think it extremely important to work with industries when introducing new laws, to prevent any unintended consequences that might have a knock-on effect on them.

This is very positive news. During the next festival season, people will be able to go and enjoy themselves, and parents sending their kids off to festivals around the country will be safe in the knowledge that throwing flares is an offence. I hope that the amendment will discourage the lunatics from doing that next year, and, once again, I thank Ministers for all their work.

James Berry: I rise to support amendment 135, and I am delighted the Government have accepted Baroness Finlay's amendment.

I am a barrister and have represented many bereaved families and public authorities at coroners' inquests, but I had not expected this fairly niche area of legal practice to feature so prominently in my constituency casework after being elected as an MP. Shortly after I was elected, an incredibly dignified lady called Rosalind asked for my help because of inordinate delays in the west London

coroner's court in issuing her husband's death certificate, which meant the insurance company was holding up funeral arrangements.

7.45 pm

There were certainly problems with the service standards at that coroner's court, and unfortunately there still are, and I raised them both with the court and in this House. But that case would not have even been before a coroner's court had Rosalind's deceased husband not been the subject of a deprivation of liberty safeguard or DOLS and had he not died in a care home.

Section 1 of the Coroners and Justice Act 2009 requires that a coroner hold an inquest in certain defined circumstances such as a death in custody or otherwise in state detention—another example is a violent or unnatural death. In cases that do not fulfil those mandatory criteria, the coroner has discretion about whether to open an inquest, depending on the facts.

Since the Mental Capacity Act 2005 came into force, the definition of whether someone is detained or deprived of their liberty has been tested in the courts numerous times. In 2014, the Supreme Court considered the appeal of *P v. Cheshire West and Chester Council*, and *P and Q v. Surrey County Council*. In those cases, the Supreme Court gave a very broad definition of deprivation of liberty. The result of that decision has been that authorisations now have to be sought for deprivation of liberty in many more cases than they used to. That includes most cases where a person suffers from dementia and is in a care home, where they are not detained in the way in which we would use that word, but they would be prevented from leaving if they tried to do so.

In one care home in my constituency, 90% of residents are now subject to DOLS, and on the current interpretation of the law there would have to be an inquest in each of their cases, even if, as is likely, they died of entirely predictable natural causes in their sleep. This has caused not only a huge upturn in the work of coroners' courts, but upset to many families who have to go through the trauma of an inquest after the trauma of losing a loved one.

I raised this problem, I think for the first time in this House, in a Westminster Hall debate on 16 December 2015, and I am delighted that the Government have now found a legislative vehicle to reverse the unintended effect of the Cheshire West judgment. I say "unintended" because that case was not about coroners' courts, and the issue was not canvassed before the Supreme Court. I can safely say that it was not the intention of this House in passing the Coroners and Justice Act or the Mental Capacity Act to mandate an inquest in every case in which a DOLS applies and to apply a rule intended to cover people in the state's care in terms of detention in a prison or an immigration detention facility or police custody to patients needing care in care homes or in hospital.

I should make it clear that this amendment in no way precludes inquests being opened into deaths in care homes or hospitals where DOLS apply. Those inquests will only not be mandated; coroners will be able to open them at their discretion and the matter could be referred to the coroner by a family or by a member of staff at a care home or by anyone else.

When I got the first of my many cases in this area, I went to see the Chief Coroner for England and Wales. He was very helpful. I have read his 2014 and 2015 annual reports, both of which refer to this problem and to the massive increase in demand on coroners' time caused by it. I am sure from having read his reports that the Chief Coroner would support this amendment or an amendment that has the same effect.

I commend the Government on accepting Baroness Finlay's amendment, and I commend her on introducing it in the other place and Members of this House who have supported it. Finally, I commend Rosalind and Brook House nursing home in New Malden on first raising this problem with me. I hope they are satisfied that a piece of constituency casework that they brought to me has culminated in a change in the law.

Lords amendment 1 agreed to.

Lords amendments 2 to 23, 25 to 95, 97 to 133, 135, 143 to 158, 160 to 301, 303, 304 and 306 agreed to.

Motion made, and Question put forthwith (Standing Order No. 83H), That a Committee be appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments 24, 96, 136 to 142, 159, 302 and 307.

That Ms Diane Abbott, Victoria Atkins, Nic Dakin, Andrew Griffiths, Brandon Lewis and Amanda Milling be members of the Committee.

That Brandon Lewis be the Chair of the Committee.

That three be the quorum of the Committee.

That the Committee do withdraw immediately.—*(Christopher Pincher.)*

Question agreed to.

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

Business Without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DANGEROUS DRUGS

That the Misuse of Drugs Act 1971 (Temporary Class Drug) (No. 2) Order 2016 (S.I., 2016, No. 1126), dated 21 November 2016, a copy of which was laid before this House on 23 November 2016, be approved.—*(Christopher Pincher.)*

Question agreed to.

Dean Quarry, St Keverne

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

7.51 pm

Derek Thomas (St Ives) (Con): Two years ago, in January 2015, I took an early morning walk in the village of Rosenithon to visit a dormant quarry and the surrounding area. The reason for this trek was that I had received a number of emails from local residents, including those with homes just a few hundred metres away from the disused quarry, who were concerned about news that the quarry was to become a super-quarry supplying rock armour up to 10 tonnes in weight for the proposed Swansea tidal lagoon and for other infrastructure projects. For two years now, this threat has hung over the local community, so I bring it to the House today in order to bring it to the attention of the Government and to find some means of securing closure for all those affected.

The quarry, known as Dean quarry, is in the parish of St Keverne and Meneage, which has 5,220 residents. It is situated close to the picturesque tourist destinations of St Keverne village and Coverack village on the Lizard peninsula in Cornwall. Why are local residents and environmental experts fighting so hard to stop the proposed quarry development? It is because, like me, they have genuine concerns about what the reopening and expanding of the quarry will do to the area. They are concerned about: the impact on the Manacles marine conservation zone; the impact on the environment, including air and noise pollution; the impact on local food production; the impact on local inshore fishing; the impact on tourism and future investment; and the impact on the local community.

Quarrying from Dean helped to support villages on the Lizard peninsula in south-west Cornwall for over 100 years. Shire Oak Quarries Ltd proposes to reopen the disused quarry at Dean. Its plan is to turn a small disused quarry into a sea-based super-quarry—similar to those found in Norway and at Glensanda in Scotland—seven times the size of the original operation. The intention is for it to work 5.5 days a week, with regular blasting. The loading of rock armour into barges would take place 24/7 to meet the demand. The plan is to extract up to 1.5 million tonnes a year and to use large barges to ship the rock armour from a new breakwater and jetties that are to be constructed as part of the development scheme. The reason this causes the local community and environmental experts so much concern is that the local economy has moved on; the vast development that is proposed presents a real risk to the area and is creating considerable unrest as the scheme drags on.

I should like to address these concerns one by one. First, I want to address the concerns about the impact of the proposed quarry on the Manacles marine conservation zone. This was one of the first areas to be designated an MCZ, in 2013. It is a rare and sensitive ecosystem and is considered by many marine ecologists to be the jewel in the crown of the whole MCZ system. The intention is to build a 300-metre breakwater to provide shelter for jetties where barges will dock to be loaded day and night. The legitimate concern relates to how the construction and subsequent existence of the

[Derek Thomas]

breakwater will affect the marine conservation zone. Furthermore, consideration must be given to the potential damage caused by large barges as they manoeuvre in and around the breakwater and jetties as they collect their loads.

Secondly, there is the impact on the environment, including air and noise pollution. Nearly a third of Cornwall is designated as an area of outstanding natural beauty, granting it the same status and protection as a national park. The Lizard peninsula, particularly the area around St Keverne and Coverack, is unique. A combination of mild climate and complex geology has produced an area with a distinctive character and that includes some habitats and species that are unique to the Lizard and others that are extremely rare, hence the national nature reserve, special area of conservation and site of special scientific interest designations.

Environmental experts are concerned that reopening and expanding Dean quarry will result in the industrialisation of this area of outstanding natural beauty and site of special scientific interest. The concern is that the scale of the operation proposed at Dean quarry will threaten the bird breeding grounds and stop-off points for migratory birds, as well as threatening the harbour porpoises, bottlenose dolphins, grey seals, minke whales and basking sharks that are all regularly seen off the coast of Cornwall.

There will be an impact on local food production. Nearby farmers are concerned about dust settling across their fields, and they have worries about their cattle ingesting PM_{2.5} particulates. Although there have been no studies to show how such particulates might affect both the animals' health and their milk, 4 million litres of milk per annum are produced within a mile of the quarry, much of it organic.

There will also be an impact on local inshore fishing. Alongside farming, risks arise for the fishing industry in the area. The Manacles have for centuries been used by local fishermen and are a flourishing sea bass breeding ground. It is suggested that proposed industrial activity relating to the loading of barges and the underwater noise generated will have a detrimental effect not only on the bass but on other fish, crab and lobster stocks, which still provide a sustainable living for local fishermen who, with the improved water quality, are now seeing stocks grow. Local fishermen have had to stop netting on the Manacles because of the marine conservation zone, so they are at a loss to understand why heavy industrialisation may be allowed to happen.

Tourism is a vital part of the rural economy, and this area of outstanding natural beauty is deeply valued by visitors and is recognised as a key economic resource. Tourism on the Lizard has largely substituted the area's falling economic activity in farming, fishing and light industrial production. Tourism is now the significant employer in the area, and St Keverne and the Lizard has established itself as a significant destination for holidaymakers both from Britain and from further afield. A number of businesses have made a success of their operation on the Lizard, and two with which Members may be familiar are Roskilly's ice cream and organic farm, which attracts up to 60,000 visitors each year, and Cornish Sea Salt, one of the great success stories in west Cornwall. Both businesses are located in close vicinity

to Dean quarry. In fact, Roskilly's organic farm surrounds the quarry, and the owners of the quarry own the mineral rights to the farmland.

The tourist season has extended, with many people preferring to holiday during the quieter months, which in turn enables many previously seasonal businesses to open all year round. The Lizard is unique, which is why visitors return year after year. At the moment, the Lizard is a desired destination for tourists, offering them peace, clean air, dark skies, beautiful landscapes, a stunning marine environment and the South West Coast Path national trail, which Lonely Planet now rates as one of the best walks in the world.

According to 2014 figures, local business turnover, supported by tourism, is worth more than £51 million a year to the Lizard peninsula, with more than 1,000 jobs directly generated by tourism. The estimated local gross wage income is more than £13 million. People involved in this important sector have raised a number of concerns with me. They are concerned about the impact on the local economy should Dean quarry reopen. It has been predicted that the reopening of Dean quarry is worth £190 million to Cornwall over 20 years. Within the same timeframe, tourism is worth more than £1 billion to the Lizard peninsula alone. It is more than likely that industrialising the peninsula's east coast would decimate those figures and many associated jobs and businesses.

Even now, news of the proposed quarry expansion has had an impact on some tourism businesses, with a drop in interest from potential holidaymakers and some businesses having chosen not to expand or invest until the position is made clearer. This naturally has an impact on the local economy; fewer visitors equals less money in the local economy. In turn, that will have a negative impact on any associated trades, and the local jobs that go with them, such as those in property maintenance, restaurants, retail outlets, attractions, garden centres, website design, IT businesses, sporting facilities such as kayaking, and accountancy. We should not, in any circumstances, trade what has become a destination hotspot for holidaymakers around the year for noise, air pollution, a scarred landscape and loss of marine biodiversity.

The final concern relates to the impact on the local community. Summary findings from a noise impact survey were presented by Shire Oak Quarries Ltd at a public meeting on 30 January 2015. The assessment incorrectly stated that Dean quarry is "in a remote section of the Lizard Peninsular".

In fact, there are several hamlets within 500 metres, and St Keverne is less than 1 km away. The noise levels at times will be 3 dB above the limits deemed suitable in a rural environment, which will have a considerable impact on how far and how intensely the disturbance will be heard. Further noise pollution will be created by explosions at the quarry, and by the loading and unloading of rock on to barges and lorries. Residents who live in the area have worked hard to foster a close-knit, caring local community with good local schools and services. They have developed a community that lives in harmony with the local environment and now benefits from the natural surroundings. All aspects of the quarry proposal fly in the face of those achievements.

I am bringing this to the Minister's attention because, yet again, residents and businesses on the Lizard have been forced to return to the High Court on Friday

20 January. Despite having won a judicial review in 2015, Cornwall Against Dean Superquarry has instructed its solicitors to issue a claim for a new review against Cornwall Council, pressurising it to uphold its decision, made a year before, to halt the redevelopment due to the lack of an environmental impact assessment. Dean quarry is currently surrounded by a fence, which the developer continued to erect after planning permission for the development was quashed in the High Court on 18 December 2015 because of the lack of an EIA. At the time, both Mr Justice Dove and the former Secretary of State for Communities and Local Government, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), agreed that the reopening of Dean quarry constituted major development, requiring, by definition, an EIA. To date, no retrospective planning application has been submitted by Shire Oak Quarries Ltd, nor has it submitted an EIA after it withdrew its application to reopen Dean quarry “with immediate effect”. Cornwall Council has failed to take enforcement action via a stop notice on the developer, Shire Oak Quarries. What can the Government do to ensure Cornwall Council takes seriously the concerns of the community, and gives adequate consideration to the environment, the local economy and local residents?

I have not seen evidence that the new jobs created at Dean quarry will adequately compensate for the negative impact on the local tourism industry and the many families who rely on tourism to earn an income. I am not satisfied that enough has been done to understand the extent of the air, noise and light pollution that is inevitable, and I am convinced that there is a more suitable, competitive source of rock available for lagoon and other infrastructure projects elsewhere. For years, as our core industries have declined, including farming and fishing, we have encouraged people to diversify and find new ways to make a living. The community of St Keverne parish has done that, and it would be more than a slap in the face to compromise that good work. Will the Minister please look closely at the situation surrounding the proposal to reopen Dean quarry and take whatever action he deems necessary to ensure local concerns are adequately considered?

8.3 pm

The Minister for Housing and Planning (Gavin Barwell): I congratulate my hon. Friend the Member for St Ives (Derek Thomas) on securing this debate on the reopening of Dean quarry in St Keverne in Cornwall. I know that the subject is of great importance not only to him but, more importantly, to many of his constituents, as he so eloquently set out. I should say at the start that I am in a difficult position because propriety considerations prevent my commenting on the detail of the specific planning issues relating to this case, both because of my role in the planning system and because, as he mentioned, those issues are currently subject to a judicial review. With my hon. Friend’s permission, I shall therefore focus my attention on how the mineral and marine planning systems operate, and how they contribute to our robust regulatory framework to plan for the sustainable extraction of minerals in this country.

The national planning policy framework, with which I have become intimately acquainted over the past five to six months, is clear that the purpose of planning, including planning for the steady and adequate supply

of minerals, is to deliver sustainable development. I should put on record that that does not mean development at any cost or anywhere. National policy sets out that planning must take account of the roles and character of different areas. It must recognise the intrinsic character and beauty of coastal areas and the wider countryside, the natural and historic assets located in an area, and the possible impacts on them as a result of applications for development of any kind, including the extraction of minerals.

In respect of the natural historic environment, local planning authorities and the Marine Management Organisation should set out in their local plans and marine plans a positive strategy for the conservation of the natural and historic environment. In doing so, they should recognise that heritage assets are an irreplaceable resource and conserve them in a manner appropriate to their significance, whether they are located on land or in the sea. Similarly, when processing planning applications, the aim should be to minimise adverse effects on the natural and historic environment. Special protection areas are given specific protections in national policy for that purpose. As my hon. Friend suggested, that is relevant in this case because the quarry is located in the Lizard section of the Cornwall area of outstanding natural beauty, as well as being in the Coverack to Porthoustock site of special scientific interest. In addition, the Lizard special area of conservation borders the site to the south.

National policy makes it clear that the extraction of minerals is essential to support sustainable economic growth and quality of life. We rely on a steady and adequate supply of minerals to provide building materials for infrastructure, housing and other construction, fuel for heating our homes and transportation, and chemicals for industrial production, which in turn create employment and attract inward investment into our country.

As my hon. Friend alluded to in his speech, Cornwall is a mineral-rich area and has since antiquity hosted many forms of quarrying and mining for valuable minerals such as tin, lead, copper, china clay and hard rock. Quarrying and mining have historically made a large contribution to the prosperity of Cornwall’s local economy, alongside its traditional maritime industries, such as fishing and shipping, and newer industries such as renewable energy and tourism. It was good to hear my hon. Friend acknowledge that in his speech.

The planning system has to make sure that the environmental impact of mineral extraction is minimised. It also has to mitigate its potentially adverse effects on the environment, such as through the use of planning conditions attached to individual applications and the continuous monitoring of extraction sites by the local authority during the operation of those sites.

Planning applications to extract minerals that were granted decades ago are, as my hon. Friend said, relevant in this case because Dean quarry is currently dormant. Before such quarries can reopen, their existing conditions have to be reviewed to make sure they meet contemporary environmental standards. The conditions are reviewed under the “Environment Act 1995: review of mineral planning permissions” guidance, which is popularly known, I am told, as ROMPs. Members will be reassured to know that the extraction of minerals from dormant quarries cannot lawfully commence until the developer has submitted an application for revised mineral conditions

[Gavin Barwell]

that has been agreed by the local authority, and that an application for review of conditions may need to be accompanied by an environmental impact assessment, as my hon. Friend said.

It is important to remember that the extraction of minerals is a temporary activity, so local authorities, through the use of planning conditions, can put in place early and high-quality restoration plans, agreed with the developer, as a condition for receiving planning permission in the first place. That means that once extraction operations have stopped, former quarry sites can be quickly returned to a productive land use, with the landscape restored.

I have illustrated the role that the land-based planning system plays in providing a key component of the regulatory framework that ensures that the extraction of minerals is undertaken with the minimal impact—that is my responsibility. However, for geological and historical reasons, many quarries are located along our coastline. The Marine Management Organisation, which falls under the responsibility of the Department for Environment, Food and Rural Affairs, is the planning authority for English territorial waters. It plays a vital role in planning for mineral extraction where the land-based and marine planning systems overlap at the mean, high and low-tide waterline.

For sites such as Dean quarry that are situated on the coastline, the local authority—Cornwall Council in this case—and the Marine Management Organisation have to work collaboratively when considering planning applications that will have an impact on both the land and marine environments. Such an impact could be that from land-based operations that are in close proximity to marine conservation zones.

Despite the robust regulatory framework that the Government have put in place to plan for the steady and adequate supply of minerals, there are still many concerns about applications for mineral extraction and the possible negative environmental impacts, even if such applications constitute a temporary use of land and the land in question will be restored once that use is completed.

My hon. Friend eloquently set out his constituents' concerns regarding this particular case. I am sure that the whole House understands those concerns, but it is the Government's view that the local planning system is

the best way to address them. Essentially, what we ask of the planning system in this country is that it balances the need for various kinds of development. We all recognise the need for more housing in this country and the need for mineral extraction, but those needs must be balanced against environmental concerns and the concerns of local residents, and the planning system is the way in which we do that.

What we need to decide in this House is the balance that we wish to strike between the Government's role and that of local planning authorities and mineral planning authorities. It is our view that, in the main, the Government's role should be constrained to setting national planning policy. Most decisions in relation to individual planning applications and the responsibility for enforcement activity rest with local planning authorities.

There are exceptions. From time to time, local councils, residents groups and Members of this House will lobby the Secretary of State to ask him to intervene in a particular application, to call in an application, or to recover an application that is with the Planning Inspectorate. It is the Secretary of State's judgment—this is set out in policy through a written ministerial statement to this House—that those cases should be few and far between, and that they should have a wide national interest, rather than a particular local concern.

I will draw my remarks to a close by saying to my hon. Friend that he has powerfully set out the concerns of his constituents, and that he should express those concerns to the relevant planning authority that is responsible both for enforcement activity in relation to the particular issues that he mentioned and in determining any applications. If he believes that there are grounds for a particular application of any kind not to be decided by the local authority—if it raises issues beyond local importance, for example—he has the opportunity to make the case that the Secretary of State should call it in. I hope that I have at least set out for him the policies of this Government that try to strike the right balance between the needs to ensure a steady supply of minerals in this country, to protect our precious land and marine environments, and to ensure that the planning system addresses the concerns of his residents that he so eloquently set out this evening.

Question put and agreed to

8.13 pm

House adjourned.

Westminster Hall

Tuesday 10 January 2017

[MR DAVID NUTTALL *in the Chair*]

Children's Wellbeing and Mental Health: Schools

9.30 am

Norman Lamb (North Norfolk) (LD): I beg to move,

That this House has considered the matter of supporting children's wellbeing and mental health in a school environment.

It is a pleasure to serve under your chairmanship, Mr Nuttall, I think for the first time. It is timely to be discussing the incredibly important issue of children's mental health and wellbeing, particularly in the context of schools, given what the Prime Minister said yesterday. I welcome the fact that the Prime Minister of this country chose to make a speech that was significantly about mental health. That in itself is quite a novelty and should be acknowledged as such. She spoke powerfully about the "burning injustices" in society and focused particularly on those who suffer mental ill health.

My problem is that the response must match the scale of the injustice, and I think that the response has ultimately fallen short, but as a society we are on a journey and it is an important step that the Government are now saying the right things. I suspect that it is acknowledged by many Conservative Members that there is still a gap between the rhetoric and the reality for many people throughout the country, particularly families experiencing mental ill health, who sometimes have to wait horribly long for any access to treatment.

I will briefly describe my own family experience. This goes back to the last decade, which makes the point that the situation we are discussing is not the fault of any individual party or Government. When our oldest son required treatment and as a family we were fairly desperate, we were told that he would have to wait six months to start treatment, so we did what I guess any family would do and paid for treatment. Of course, very many people cannot do that. I do not want to live in a country in which people who have money can access great care, but those who do not are left waiting. That for me is the injustice that we must confront, but I welcome the fact that the Prime Minister has raised this incredibly important issue.

One in 10 children are estimated to have a diagnosable mental illness, and 75% of mental health problems in adulthood started before the age of 18, so there is both a moral and an economic case for dealing with mental ill health among children and teenagers, because by neglecting it we store up enormous problems for people later in life, at enormous cost to the state—that is the key point that we must recognise. However, despite the prevalence of illness among children and teenagers, three in four children and young people with a clinically significant mental illness are not in touch with appropriate mental health services, and sometimes it can take up to 10 years before the first symptoms are diagnosed and addressed.

I stress that I do not want to over-medicalise this problem; we do not want to drive everyone into treatment. What we want to do, of course, is prevent the need for that, so we must shift the system so that it focuses much more on preventing ill health and deterioration in health, and schools are necessarily central to that.

David Simpson (Upper Bann) (DUP): I am sure that the right hon. Gentleman will agree, in relation to mental health and schools, that it is important that young teachers are trained to recognise the difficulties that some children have, so that there can be early intervention to try to prevent the need for all the children to go into treatment.

Norman Lamb: I am grateful to the hon. Gentleman for that intervention. I totally agree. As I will explain later, giving professionals the tools to manage the issues in front of them seems to me to be fundamental to a sensible approach.

There appears to be growing evidence of increasing mental health problems among young girls. In August 2016 a survey for the Department for Education found that rates of depression and anxiety have risen among teenage girls in England, although the rates appear to be more stable among boys. The survey found that 37% of girls reported feeling unhappy, worthless or unable to concentrate; that was more than twice the percentage for boys. According to the Children's Society's latest "Good Childhood" report, a gender gap has opened up between girls and boys in relation to both happiness with life as a whole and appearance. One in seven girls aged 10 to 15 felt unhappy with their lives as a whole, and the figure had gone up over a five-year period. We need to seek to understand that situation better in order to make the right response. I pay tribute to the Children's Society, which has supported me in bringing this debate to Parliament. I also thank, as I should have done at the start, the MPs who joined me in applying for the debate.

There also appear to be problems among women between the ages of 16 and 24, according to a major report by NHS Digital. Reports of self-harm in that group trebled between 2007 and 2014, so something very serious is going on. Research is urgently needed to understand the causes of the trend. Social media appear to be part of the picture—there are concerns about sexting, cyber-bullying and so on.

We must also remember the issues that relate to boys and young men. Horrifically, suicide remains the biggest killer of men under the age of 45 in the UK, and the rate has been increasing in recent years. In 2014 the male suicide rate was three times higher than the female rate. I am pleased that the Government focused on suicide in yesterday's announcements. Ultimately, there is nothing more serious or important than seeking to prevent lives from being lost in that horribly tragic way, with the impact that it has on families—my family, along with many others in this country, have gone through that experience—so we need to give it the greatest possible attention.

The overall lifetime costs associated with a moderate behavioural problem amount to £85,000 per child, and with a severe behavioural problem they are £260,000 per child. That is why it is so important to deal with these issues early, rather than allowing them to become entrenched.

[Norman Lamb]

The Children's Society has highlighted school-based counselling, which can be highly effective for children experiencing emotional difficulties. It can be used as a preventive measure, an early intervention measure, a parallel support alongside specialist mental health services, and a tapering intervention when a case is closed by the specialist services to help a child or teenager through to recovery. Research shows that children perceive it as a highly accessible, non-stigmatising and effective form of early intervention.

Studies have also shown that attending school-based counselling services has a positive impact on studying and learning. In 2009 Professor Mick Cooper assessed the experiences of and outcomes for 10,000 children who had received counselling in UK secondary schools. More than 90% reported an improvement, which they attributed to counselling, and 90% of teachers reported that counselling had a positive impact on concentration, motivation and participation. So we end up achieving better academic attainment if we make the investment for those children who need it. It can be cost-effective, given the long-term cost to the economy of problems that continue into adulthood; some studies have indicated that the long-term savings can be in the region of £3 saved for every £1 invested, and data from Wales indicate that the average cost of school-based counselling is significantly lower than the specialist treatment children get if that is the only alternative. So we save money by giving children access to school-based counselling rather than delaying intervention and referring the child to a distant service, probably with a long waiting time, which is also far more stigmatising.

The British Association for Counselling and Psychotherapy has estimated that the overall cost of statutory provision of school-based counselling across all of England's state-funded secondary schools would be in the region of £90 million per year. On the basis that 60% of schools are already delivering it, the additional delivery would cost around £36 million. I suggest that that investment is well worth making given the improved preventive care.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): I am grateful to the right hon. Gentleman for giving way and apologise for being a few minutes late for the start of his important speech. I am sure that he, like me, will have had the privilege of visiting a number of schools, not only in his own constituency but across the country, that are really committed to their students' mental health and have invested in school-based counselling. Does he share my concern that in this past year we have already seen cuts to those services within schools because they have seen their budgets reduced and they are having to incur the additional costs of pensions, for example? The prospect for the years ahead is to see some schools that fund counsellors five days a week going down to three, or three days down to one, and some having to scrap the provision altogether because they simply do not have the resources to make this very important service available in their schools.

Norman Lamb: I thank the hon. Lady for that intervention and pay tribute to the tremendous campaigning work that she does on mental health. Her point highlights

the gap between the rhetoric, which is often well intentioned, and the reality. There is now a much greater focus on prevention in the Government's argument, but what too often happens with a system under impossible strain is that the preventive services are cut first because there is a desperate need to prop up acute services within the system. She makes an important point.

Let me address the issue of stigma in schools. Stigma can exacerbate mental health conditions and prevent people from speaking out and seeking help. In October 2016 the YMCA launched a nationwide campaign aimed at tackling the stigma associated with mental health difficulties and to help to encourage young people to speak out. It found that more than one in three young people with mental health difficulties had felt the negative impact of stigma. School is where most young people experience stigma, and more than half of those who have experienced stigma said it came from their own friends. There is often a lack of understanding among young people—teenagers—about what mental health really is. That is why it is so important that we get this on the curriculum so that every teenager learns about their mental, as well as physical, health and wellbeing, and about how they can become more robust in coping with the challenges they face.

The impact of stigma is profound and pervasive, affecting many areas of a young person's life. Young people reported that the stigma affected their confidence and made them less likely to talk about their experiences or to seek professional help. I can remember the moment when our eldest son said to me, "Why I am the only person who is going mad?" I just thought that here is a teenager feeling that and having stored it up inside himself, having not been able to talk about it for a long time. We can just imagine the strain of trying to cope with that on top of all the normal pressures of being a teenager. We have to do far more to combat stigma if we are to improve young people's experiences.

I want to mention "Future in mind", which is the blueprint we published in March 2015 just before the coalition Government came to an end. It was widely welcomed across the sector. We involved educationalists, academics, practitioners and young people, in particular, in the work we did. Central to the recommendations was the role of schools, and among the recommendations was the proposal that there should be a specific individual responsible for mental health in every school to provide a link to the expertise and support available, to discuss concerns with an individual child or young person and to identify issues and make effective referrals.

There should be someone taking responsibility but also a named contact point in specialist mental health services—too often we find that schools do not have the faintest idea who to contact when a child needs support—and also joint training. The hon. Member for Upper Bann (David Simpson) made the point about the training of teachers. If we can get teachers working alongside specialist mental health workers in schools, everybody will benefit.

Mrs Madeleine Moon (Bridgend) (Lab): Will the right hon. Gentleman also pay tribute to the work of the Samaritans? It has a scheme called DEAL—developing emotional awareness and listening—which it is rolling out across Wales in particular. There is a resource pack available for teachers if they want to take it into schools,

or the Samaritans will send volunteers into schools to undertake, separate from the school system, talks and raise awareness for young people. That is the sort of low-cost—not expecting lots of money to be involved—involvement of people and organisations such as the Samaritans, with their specialist knowledge and awareness, that is extremely helpful in reaching young people.

Norman Lamb: I pay tribute to the hon. Lady for the incredibly valuable work that she has done, particularly on suicide. I join her in paying tribute to the work of the Samaritans and the army of volunteers who give up their own time to save people's lives. The sort of initiative that she described is incredibly important. Do the Government remain committed to implementing "Future in mind"? There is a danger in Government that we just replace one initiative with another. There is a very good plan there, which has all the right principles, and the important thing is just to do it and make sure that the money—I will come to that in a moment—actually gets through to where it is required.

Luciana Berger: I am grateful to the right hon. Gentleman for kindly giving way again. May I echo his very important points? "Future in mind", the report for which he was responsible, was released in March 2015. We are nearly two years down the line and, despite the fact that the "Five Year Forward View" explicitly stated that it accepted the recommendations of the "Future in mind" report, we are yet to see the vast majority of them implemented. I echo what he said and urge the Government to address that very important point in their response.

Norman Lamb: I thank the hon. Lady for that intervention. Given that I was responsible for that report, I feel very strongly about its absolute importance. I chaired a commission for the Education Policy Institute that reported last November, and we were pleased that the Secretary of State for Health came to speak at the launch, which I thought was important in itself. We looked at what has happened since "Future in mind" and in some parts of the country they are doing great work, but in others very little is happening. Very little has changed, with the bulk of the money still going to the acute end of the spectrum and not being reinvested in preventive care.

Critically, in many areas of the country, as the YoungMinds survey showed, 50% of clinical commissioning groups are not spending all the money—the additional investment secured in the coalition Government's last Budget. They are not spending the full allocation on children's mental health. I think that is scandalous. It amounts to theft of money solemnly pledged by the Government for children's mental health, yet in many areas it is being diverted to prop up local acute hospitals. We cannot tolerate that. The Government have to find ways of ensuring that all that money is spent as intended. I know that the Government plan to have greater transparency, with Ofsted-style ratings for CCGs, but frankly there needs to be more than that. When a CCG is under financial stress, it is just too easy to shave a bit off children's mental health to spend it where the public are clamouring for action, because ambulances are stacked up outside the A&E department.

In the first year after "Future in mind", the system that we designed meant that local areas would get the money only if they produced a transformation plan to

show how the money would be spent on changing the system to focus more on prevention. My proposition to the Government—the EPI commission report said this—is that every year the money should be tied to a commitment from the CCG that every penny of it is spent on children's mental health. The CCG must also demonstrate that it has stuck with the plan from the previous year and that it has a plan to continue the change in the subsequent year. Unless we use the money to drive change in local areas, it will not happen because the system is under so much strain.

The other point argued for by the Education Policy Institute commission was that the Prime Minister should launch her own Prime Minister's challenge on children's mental health, as the former Prime Minister did on dementia, because that sort of prime ministerial stamp of importance for this subject would be incredibly valuable. Yesterday was a start, but I challenge the Prime Minister to go further and launch a formal challenge of that sort.

My final point—I am conscious that other Members wish to contribute to the debate—relates to the importance of ensuring that when a child needs specialist treatment, they get it on time. This goes to what I regard as a discrimination within the NHS, because anyone who has a physical health problem benefits from a maximum waiting time. Whatever their issue is, they know that a standard maximum waiting time applies nationally. It is accepted that those standards are under strain, but at least they exist, and I know that they drive the system, from the Secretary of State's office downwards, in looking at every individual hospital's performance across the country.

On mental health, however, apart from the two maximum waiting time standards that we introduced in the last two years, there are no other maximum waiting time standards. There is no standard for children. Families across the country can be left waiting, sometimes for months, to get any treatment at all, and when they get referred too often they have to clear high thresholds. In other words, someone has to prove that they are really sick before they get any help at all. That dysfunctional and irrational approach completely contradicts the principle of early intervention.

When you have a child aged 15—as I did, a girl—who had an eating disorder and was turned away from treatment because her body mass index was not low enough, and who then got admitted as a crisis case two months later because the problem had been neglected, you are left in a state of despair. We need to ensure that children with mental health problems have the same right to timely, evidence-based treatment as anyone with a physical health problem does, and that they should be treated close to home rather than being shunted sometimes hundreds of miles away.

These are the burning injustices that exist for many families across the country who cannot pay to opt out of the system. We have a duty and a responsibility—the Government, in particular, have a duty—to ensure that those children get the treatment they need on a timely basis.

Mr David Nuttall (in the Chair): Five Members wish to speak in the debate and I intend to call the Front-Bench spokesmen at 10.30 am, so if Members could keep their

[Mr David Nuttall]

remarks, including interventions, to about seven minutes each, I calculate that we should get everyone in and share the time equally.

9.54 am

Rebecca Pow (Taunton Deane) (Con): I am delighted to serve under your chairmanship, Mr Nuttall. I congratulate the right hon. Member for North Norfolk (Norman Lamb) on securing this debate, which is so important and timely, and I am pleased to be able to speak in it. I noticed last week that the debate was going to take place and I started to prepare my comments then, but of course, in the light of the Prime Minister's excellent and welcome speech yesterday, I have had to change them somewhat.

I think it is pretty much agreed across the House that we need to put more emphasis on mental health, putting it on a par with physical health, as we have heard. We also need to do much more work on removing the stigma that seems to be attached to mental ill health, especially among young people. Another universally agreed principle is that prevention, or at least early intervention, is much better than cure. Obviously, that is where the school environment can really come into its own, and where I truly believe we need to focus a lot more effort.

To be positive for a moment, many Members from across the House have worked on bringing to the Government's attention the fact that we needed a fairer funding formula for our schools. I am delighted that that is happening, and particularly that rural areas, such as mine in Somerset, will receive a much fairer share of funding per student. Although that will not solve mental health problems, it will alleviate the situation for many schools. They will have slightly more money to go around, which may mean that they have money to pay for consultants, advisers and specialist services, should they need them, for mental health. That is just one small thing, but if there is better education across the board, that has to be better for children growing up.

We know that a vast amount of mental health problems begin at school age, with 50% of lifetime diagnosable illnesses beginning at the age of 14, so it makes perfect sense to start dealing with those at that young age. I want to point out some positive initiatives that we could learn from and that perhaps should be copied on a wider scale. One is community engagement and involving young people in activities so that they really feel part of something. To give an example, I was very proud to go to the recent Somerset elections to the Youth Parliament in my constituency, where I was really taken by the assuredness of the students. Not only were they having great fun, but how well they conducted themselves, and how interested they were in life! I got talking to the chap who runs that—Jeff Brown from Somerset County Council—who said, “You should see the state that some of these children come to me in, when they are quite young—about age 11—and how this involvement, engagement and working together has really changed and helped them.” He also said that many of them had mental health issues, so if we could encourage children to get involved in such areas, it would be very helpful. Obviously, that means that we have to keep giving funding to organisations such as the Youth Parliament.

Another area that I am especially interested in, given my gardening and environmental background, is schools that are running gardening and outdoor projects to involve children in activities out of the classroom. I recently went to North Town Primary School in Taunton Deane; it has an excellent, innovative gardening set-up for a primary school. It is really involving children and giving them an outside interest—especially those who, perhaps, are not so academic—in growing and in watching the seasons change, watching nature and watching wildlife. The Royal Horticultural Society has many statistics to prove that that has a really beneficial impact on people's mental health, and anything that any schools can do to get involved in such projects is worth while and to be encouraged.

Similarly, the Somerset Wildlife Trust, of which I am a vice-president—I am very proud to work with it—does an awful lot of work with local primary and secondary schools, enabling children to connect more with nature and the outside. According to national wildlife trusts' statistics, 93% of schools said that outdoor learning improves people's social skills, and 90% of children said that they feel happier and healthier when they are doing these activities outside. Interestingly, 79% of teachers in the surveys that they did said that outdoor learning had a real impact on their teaching practice, so I think there are real lessons to be learned there. Those are all excellent examples of what has already been done.

When I met the people from YoungMinds, they stressed the importance of placing wellbeing and all the activities that I have mentioned alongside academic learning. Again, I welcome what the Prime Minister said, and I was especially pleased to see that a review will be done of child and adolescent mental health services; I hope that it will begin swiftly.

Now for my negative bit: in the south-west, young people's mental health is a significant issue. I am sure that all Members could give examples; I have many from my casework. People come to me with heart-rending stories exactly like the one that the right hon. Member for North Norfolk told about his daughter. I could list handfuls of people who are affected, including my children's school friends, my son's sports mates—guys with aspirations—and neighbours' children. It is absolutely shocking how many people we can think of offhand. It is not only awful for the child; it puts so much pressure on families, especially if they must go long distances for treatment. It is awful for the child and awful for the parents, but it is also difficult for other siblings to carry on a normal life, and for parents to bring up all their children. I do not know if the right hon. Member for North Norfolk has other children, but I know that the impact makes things difficult for siblings. This is a serious issue, and this House and the Minister need to deal with it.

I welcome the introduction of mental health first aid training in schools, but will the Minister liaise with the Department for Education on an issue relating to the budget cuts for sixth-form colleges? In Taunton Deane, we have an outstanding sixth-form college called Richard Huish College, which has just been shortlisted to be *The Times Educational Supplement's* sixth-form college of the year. I wish the college well in that, but when I spoke to its principal, he told me that the school had had to cut all its enrichment courses: sport, drama, music. He was at pains to stress that we need to send the message

that we should not expect children to excel only at academic things such as maths and English. Obviously, those are important, but there are other ways for children to show that they are good at something, and for us to celebrate what they do. He pointed out that it is often the children who do not get such opportunities, or who think that they are not good at anything, who fall into a trap and start on a downward spiral. That is how we end up with a spike in mental illness. I urge the Minister to go along to the Department for Education and see whether we can have a bit of joined-up thinking.

I am delighted by the renewed focus on children's mental health, especially as children spend a third of their time in school. Much good is already being done, as I have pointed out, and I would like to see some of those models copied, especially the ones relating to outdoor activities, the environment and even sport. Some schools run a daily mile; I believe that started in Scotland. Pupils go outside at a set time every day with their schoolteachers, in whatever they are wearing, and run a mile. They might get a bit sweaty, which I believe the girls do not like terribly—

David Rutley (Macclesfield) (Con): My daughter does.

Rebecca Pow—although my hon. Friend's daughter does. What a terrific idea. If everybody does it, nobody worries about what they look like. It is simple and cheap; it does not cost a penny. I will also throw in that on Radio 4 this morning, we heard about shared family meals. There is so much benefit in things like that.

To conclude, I stress that the long-term benefits of addressing mental health issues at an early age will be to everybody's advantage. I applaud the Government for what they are doing, but it is just the start—the building blocks or foundations on which I hope we will build a better future, in which we do not have to debate this issue.

10.4 am

Mrs Madeleine Moon (Bridgend) (Lab): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank the right hon. Member for North Norfolk (Norman Lamb) for the opportunity to have this debate. As chair of the all-party parliamentary group on suicide and self-harm prevention, one thing of which I am very aware is that change only comes when there are champions, at the local and national levels. He has certainly been a champion in this House for mental health. When he was a Minister, it was always a delight to speak to him, because I knew I was talking to somebody who understood the problem, and I pay tribute to that.

I welcome the publication of the latest national suicide prevention strategy—I am particularly pleased by its recognition of the work of the all-party group—but one of the big problems is that there is no new money for local action plans. If we do not start on a local basis, we will not get the change that all of us want.

The all-party group works only with academics; on the whole, the people who come to speak to us come from an academic background. Their work is fully researched, and the way forward is understood. Just before Christmas, two researchers from the National Centre for Social Research, Sally McManus and Caroline Turley, addressed the all-party group. They discussed

the findings of the recently published adult psychiatric morbidity survey, which examined trends in mental health and well-being since 2000.

It was extremely depressing. One of the first things that they mentioned was self-harm. The all-party group considers both suicide and self-harm prevention, because self-harm is often an early indicator that someone is suffering from mental health problems. If we ignore it, we just build up problems for the future. Self-harm among 16 to 24-year-olds has doubled since 2000. One in four women and girls aged 16 to 24 have self-harmed, rising to one in three among over-18s. In 2000, one in 15 young women between 16 and 24 reported having self-harmed. By 2015, that figure was one in five.

Young women are twice as likely as young men to self-harm. They do so for a number of reasons, but it is often to relieve tension, anxiety and depression. For them, it is a coping mechanism. Triggers vary from one individual to the next, but bullying via social media, low self-esteem and anxiety are often cited. Some care must be taken in considering those figures, as the rise might be due to increased willingness to report, but the increase is borne out by other studies. Clearly, that level of distress cannot be ignored.

Of the 16 to 35-year-olds surveyed, one in 10 asked for help but did not receive it. Someone aged 16 to 18 with anxiety and depression has only a one-in-five chance of accessing help. The older someone is, the more likely they are to receive help. Some 37% of those who reported having self-harmed had received medical or psychological help, leaving two thirds who had no help. If an individual presents at hospital after an incident of self-harm, they will not necessarily receive the help that they need.

The highest rate of access to help was among 35 to 54-year-old white British women. If young people come from a black or ethnic minority background, their access to mental health support decreases. That is incredible and totally unacceptable. Findings published recently in *The BMJ*, drawn from the multi-centre study of self-harm, 2000 to 2012, considered hospital admissions for self-harm and concluded that despite NICE guidelines, only a little over half were offered a psychosocial assessment.

Sadly, another issue that we must consider is that all too often the criminal justice system picks up the failures of the mental health services. Too many young people are sidelined into youth offending teams and ultimately into young offenders prisons. Staff at those young offenders prisons have told me that some of the most tragic cases that they deal with are of young people with mental health problems who are being criminalised at an early age. That has to stop.

The Department of Health is diverting its failures to the Home Office and to the Ministry of Justice. I cite as an example a young girl in my constituency who, very sadly, has quite severe mental health problems. Over the years, she has appeared in front of the police and the courts more than 140 times. She has served numerous prison sentences; she is in and out of prison all the time. The police and the probation service recognise that her problems are linked to mental health. She has been involved in the mental health system since she was a very young child, but now that she is a young adult, she is being sent back and forth in the criminal justice system and is not receiving the mental health support that she needs. She is now out again; she has already

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tried to take her own life by jumping from a bridge and has broken her ankles. The likelihood is that she will be back in prison before we know what we are doing.

I agree that we need to start early. The work in schools is essential. Young people need to know what is normal—"I'm going through adolescence, my hormones are all over the place; what is normal and what is actually a problem that needs dealing with?" We need to look at NICE guidelines on psychosocial assessments, which need to be in place more often. The Department of Health informed me in response to a parliamentary question that it does not keep records on where a psychosocial assessment has been offered, but that would give us an idea of how often we are failing.

Another important thing that needs to happen is a triage system. For a GP's letter to a consultant asking for an appointment to just sit on a secretary's desk until the secretary has done that assessment is nonsense. Dr Robert Colgate has set up a triage system for mental health that allows direct access to a consultant, so that help and support are available to GPs, mental health nurses and psychiatric social workers straight away and medication, help and appointments can be given straight away.

This has gone on too long. We know what the problem is, and it needs money and investment. Let us make sure that we start from today.

10.12 am

Jo Churchill (Bury St Edmunds) (Con): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank the right hon. Member for North Norfolk (Norman Lamb), with whom I share a mental health trust, which we are both glad to see is out of special measures. I congratulate the staff on that, but there is much more work to do. I concur with other Members who have said that prevention is better than cure. There could be no more opportune time for this debate, which comes a day after the Prime Minister highlighted mental health, and particularly children's mental health, as a problem. We have been talking the talk, not walking the walk, for quite long enough.

Why have I chosen to speak today? Mental health is one of my top three surgery priorities. Week after week, in surgery after surgery, I see families whose lives are breaking down because of waiting times. Very often, it is not only the child at the centre. Often Mum has given up work, so there is an economic impact; Dad has stopped doing overtime, so there is a further economic impact; and the siblings do not quite get the activities that they used to, because everybody is focused on the child who has the problem at that time.

I have four children; the last left school last year. Like my hon. Friend the Member for Taunton Deane (Rebecca Pow), I have been somewhat horrified over the past 10 years, as they have travelled through their teenage years, to see how their contemporaries have struggled with mental health and to see the help that has been available for them. As a governor some 10 years ago, the fact that some of my children would be sent hundreds of miles away, when we know that closeness to the family gives better outcomes in the long term, filled me

with horror. We really need to drill down into the issue of tier 4 beds and the local availability of child and adolescent mental health services.

As governors and teachers, we instigated sessions with parents on eating disorders and resilience. The World Health Organisation's whole-school approach is the right one, but we actually need a whole-system approach of teacher training, actual connectivity and knowing where the services are. School-based counselling is excellent, but as the right hon. Member for North Norfolk said, we need to ensure that the funds are there at the right time. Like my hon. Friend the Member for Taunton Deane, I welcome fairer funding, but the fairer funding formula for Suffolk still leaves us short of the national average, so for us it will make a slight difference but not enough. Suffolk's population is rural, and delivering issues rurally causes problems. It is much harder for us, with a sparse population in which more than 40% are scattered around, to deliver those scattered services.

Why do only 25% to 40% of children and young people currently receive input? Some 50% of lifelong mental health illnesses develop before the age of 14, and 75% before the age of 25. Young people with mental health problems use other coping strategies: self-harm is one that is familiar to me, unfortunately, and they are four times more likely to turn to alcohol. All these are destructive. They are 20 times more likely to go to prison, as we have heard. Tragically, they are six times more likely to die before the age of 30.

One in seven adults has a common mental disorder. If we capture these problems earlier on, we will be doing ourselves and the country a great service, saving people's lives and building resilience within their families. I was glad to hear the Prime Minister placing importance on mental health, but at the schools and colleges I go to, particularly my sixth-form college, the pastoral care teams reckon they spend up to 70% of their time on mental health issues. I have talked to teachers in the primary sector, who are seeing issues earlier and earlier. We need that teacher training and we need that funding.

How do we improve? We must build resilience, both personally and emotionally. We must focus on young women, who are three times more likely to experience common mental disorders than young men. However, our young men have less ability to express themselves and we see greater suicide numbers in young men, so we need a comprehensive approach. I encourage schools to reach out. Like my hon. Friend the Member for Taunton Deane, I support volunteering and using green spaces. The Green Light Trust does a great deal locally; Westgate Community Primary School does the daily mile. Exercise and sport improve outcomes, because children are within a team—research backs that up. Reducing the hours children spend in front of a screen, ensuring they eat together—all these things are part of resilience building.

When things go wrong, we do not want to medicalise, but we do not want to wait. People need services locally, and we need our children not to be sent all over the country. We have to look at the provision of funding and the allocation of resources. The lack of the family unit locally undermines short and long-term recovery.

I pay tribute to the fantastic work of the Prince's Trust, of the Duke and Duchess of Cambridge and of Heads Together, which aims to destigmatise and shine a light on the area. That is to be welcomed. I will not give the statistics about body image and coping with work

for young people, because we have already heard them, but we need to understand where the money goes. When I spoke to my local mental health trust recently, I discovered that some £363,000 went to eating disorders, but that there was no more money for any additional services. That worries me.

I ask the Minister the following questions. Young people's mental health needs prioritising. How do we scrutinise those who commission those services? I welcome the £67 million investment in digital connectivity, but many of my constituents do not have access, and there is a broader issue with telecare and prescriptions. How are we locking into the Department for Culture, Media and Sport and the Department for Communities and Local Government to ensure that the fourth utility is there? Will she assure me that rural areas will be fairly treated? As in everything, we sit in the lower quartile both for education and for health, and that is not a good combination. How can we ensure that cuts in community care and local government support, which often give support services the money they are looking for, are considered effectively? Many trained professionals have moved out from children's services into adult services. We need to capture that skill and bring it back.

It was my birthday when "Future in mind" was announced. I want to understand how we will properly evaluate whether the money that was announced yesterday—most welcome—and the money announced in "Future in mind" is being spent where we need it to be spent, so that we can understand what is working. I was also glad to hear the Secretary of State for Health announce that sustainability and transformation plans will not be passed without mental health being high on the agenda.

Many have said that the journey to better mental health starts with a conversation, so I hope that this is our conversation and that by 2020 there will be shorter waiting times and talking therapies in every region, and particularly for my young people.

10.20 am

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): It is an honour to serve under you as Chair, Mr Nuttall, and I thank the right hon. Member for North Norfolk (Norman Lamb) for securing this timely debate, which he opened excellently.

Mental health in schools is devolved to Wales and provision there is often used as an example of good practice. Today I would like to draw Members' attention to certain areas of good performance in supporting children's mental health services in Welsh schools, particularly in Gwynedd, the county in which my constituency is located and that I served as portfolio leader for education between 2008 and 2012. There is always room for improvement and there are still areas of concern, some of which infringe upon non-devolved competencies and impact heavily on the wellbeing of children and young people.

I will just point out that student union presidents at Grwp Llandrillo Menai, the three-college further education institution for north-west Wales, are so troubled by the prevalence of mental health issues among 16 to 19-year-olds that they have chosen Mind as this year's cross-college union charity. The Children's Society's "Good Childhood" report for 2016 highlights the issues affecting children's

wellbeing, as well as the connections between wellbeing and mental health. It calls for the introduction of statutory provision of emotional wellbeing and mental health support within schools in England, to act as a point of early help and to provide referral to specialist services if necessary.

Although they were conveniently timed during a row surrounding the "humanitarian crisis" in health, I am sure that we all welcome yesterday's announcements about reform of mental healthcare, particularly the pledge to offer mental health first aid training in schools. The Government are making the right noises, but the detail is yet to be communicated. The real-terms increase in health spending is unlikely to meet the requirements created by health inflation over the coming years, so it is by no means a silver bullet solution, and of course it has implications for the Barnett consequential that Wales receives.

As I have said, counselling provision in schools is already on a statutory footing in Wales. During the Plaid Cymru and Labour "One Wales" Government of 2008, the goal was set of ensuring that every secondary school child could access counselling as needed. In addition, in our first few months as an Opposition party last year we secured a landmark budget deal with the Welsh Government, whereby we realised a manifesto pledge to increase spending on mental health services by £20 million a year, and to improve access to trained counsellors and therapists in the community.

An example of a successful school counselling scheme is being implemented by Plaid-run Gwynedd and is operating in both Gwynedd and Ynys Môn. Since its instigation in 2008, 500 children a year have received counselling, and I am glad to say that very few of them have gone on to be referred to child and adolescent mental health services. In fact, in 2014-15 more than 11,500 children and young people across Wales received counselling, and 89% of those seen did not require onward referral after the completion of their counselling.

However, despite significant progress in that field in Wales, there are still areas of concern. A number of issues remain about the provision and delivery of CAMHS, including the transition from child to adult services and the support offered to children and young people who do not meet the clinical threshold for CAMHS but who still need support. In Wales, the comparable waiting times for child and adult mental health services are such that four of every 1,000 children and young people are waiting for treatment, which is eight times greater than the equivalent number of adults.

A particular point to which my attention was drawn came from my surgeries, as I am sure is the case for many Members here today. It seems that those children and young people who cannot attend school because of mental health issues fall between the cracks. Olivia Hitchen is 15, and I am glad to say that she was happy for me to mention her name—of course I asked her first. She lives in Corris in Dwyfor Meirionnydd and has explained how better support needs to be provided for young people who suffer extreme anxiety when they are placed in the crowded environment of a school classroom. It struck me as interesting that we expect children to operate in social groups for the purpose of education in a way that is strikingly different from the operation of most working environments; we do not usually put people in large groups with one person

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addressing them. If individual children do not fit into the conventional classroom, there seem to be precious few alternatives for them, particularly if they have mental health issues as well.

Olivia is highly intelligent and articulate. Her issues with anxiety appear to be reduced when she does not attend formal education, but she now needs to achieve formal qualifications, such as GCSEs, through examinations. Surely our education system should match the needs of the child and not expect our children to be moulded to the needs of the education system.

My final point today relates to the non-devolved ways in which children's wellbeing may be improved. Of course, poverty increases the risk of mental health problems; it can be both a causal factor and a consequence of mental ill health. My constituency of Dwyfor Meirionnydd has one of the highest poverty rates in the United Kingdom. Of the 11,312 children living there, it is estimated that 2,510 live in poverty. Increasingly, those children who are in poverty live in a household where at least one adult is in work—there are 1,958 children in that situation in my constituency. A move into work is not automatically a move out of poverty. The impact of this Government's punitive universal credit moves is hitting children in my area hard. Families in my constituency face a four-year freeze in their benefits, and the cumulative effect of the changes to support will mean that many families lose out overall, thus aggravating mental health-related issues.

Every child must be given a chance of achieving robust health and happiness. Despite the gains created by the examples I have cited from Gwynedd and from Wales overall, more must be done at both Welsh Government level and UK Government level to ensure that the best opportunities exist for all our children.

10.26 am

David Rutley (Macclesfield) (Con): It is a pleasure to serve under your chairmanship, Mr Nuttall; it is the first time I have done so. I congratulate the right hon. Member for North Norfolk (Norman Lamb) on securing the debate. During his time in office he really helped to highlight the challenges in mental health and he continues, quite rightly, to put the spotlight on mental health now. We are all grateful to him for the work that he has done in this area.

It is clear—obviously partly because of the Prime Minister's speech—to all of us who have tried to make some efforts on young people's mental health over the last year that it has become a major issue. For me, it became absolutely clear that it was a critical issue around 18 months ago, when I had a group of about 10 young people come to Parliament for an induction day. In a gap in the Q and A session, I decided to ask them what they thought was the most pressing challenge that their generation faced. In unison, those 10 young people, who were studying for their A-levels and had great prospects ahead of them, did not talk about tuition fees or debt; they talked about mental health. They said that mental health is the challenge we need to deal with.

As I started to explore this area in more detail, I went to an event at a school—it was a Christmas party, I think—and spoke to one of the parents who happened

to be involved in dealing with pupils with pastoral issues in another neighbourhood. She talked about the increased incidence of self-harm, particularly among young women, which the hon. Member for Bridgend (Mrs Moon) mentioned. I then had the chance to speak to a number of children who were not actually dealing with mental health challenges in their own life but who were really worried about how they could help their friends who were. They were coming home and asking, "How do you deal with a friend who is involved with self-harm, or who is considering it?" Trying to come up with those solutions is a heavy burden for a 12 or 13-year-old, so these issues need to be tackled urgently.

I am grateful to YoungMinds for the work it is doing. As I have spoken with its chief executive, Sarah Brennan, and her team, it has become clear that mental health is now not just a challenge for the one in 10 children who we have heard about, or the one in 12 to one in 15 children who are dealing with self-harm; the latter figure could even be higher, according to the hon. Member for Bridgend. It is clear that young people's mental health is a growing challenge. It is not just static; it is growing. Therefore, because of the increase in the number of referrals and because of the challenges that exist—from talking to my local mental health service provider, Cheshire and Wirral Partnership, I know that they exist—we must tackle the issue. As I have said in previous debates, the issue is amplified by social media. Feelings of low self-esteem and low self-worth need to be tackled and we need to help build resilience.

Although, obviously, not everything has been done yet, the Government took an important step forward with the "Future in mind" report, and credit needs to be given to the Prime Minister for her efforts and for the initiatives she put forward yesterday: mental health first aid training for teachers and staff; a thematic review by the Care Quality Commission, with Ofsted support; a new Green Paper on children and young people's mental health; and the absolutely key aim—it has not been mentioned in this debate but we must ensure that it is delivered—that by 2021 no child will be sent away from their local area to be treated for general mental health disorders. My hon. Friend the Member for Bury St Edmunds (Jo Churchill) highlighted that concern. The Prime Minister was honest enough to highlight that treatment is only part of the answer. What we need to do now is prevent mental health challenges and build resilience.

Something else that has not been mentioned today is the important investment of nearly £68 million in digital mental health services to provide online therapies. It is absolutely critical that we can multiply the expertise out to as many people as possible, making it easily accessible through digital technology.

In the couple of minutes I have remaining, I want to highlight what else we need to do next. We need to learn from best practice. Peer-to-peer support does not cost a huge amount and we need to ensure that we do it. The Emotionally Healthy Schools programme in Cheshire East has been particularly helpful. We must also ensure that there is counselling support and space available at school.

I know that you are keen for me to wind up, Mr Nuttall, but let me just say one thing in conclusion. We need to ensure that the digital funding that is available pushes forward recognition for greater support from social

media themselves. Often social media are a cause or an amplifier of mental health challenges. We must ensure that easily accessible apps are in place to support these young children.

Finally, given what the Prime Minister has said, it is time for our various third sector charities to come together with a clear set of asks for the Government and a clear plan of action that they would like to see us take forward; YoungMinds, the National Society for the Prevention of Cruelty to Children, Barnardo's and all organisations that have clear expertise bringing to bear a clear plan of action that will deliver for those young people who are suffering and those we do not want to see suffer in the years ahead.

Mr David Nuttall (in the Chair): I ask the Front-Bench spokespersons to restrict their comments to nine minutes, so that we can leave a couple of minutes for the mover of the motion to wind up at the end.

10.32 am

Patricia Gibson (North Ayrshire and Arran) (SNP): It is a pleasure to serve under your chairmanship, Mr Nuttall. As a former secondary school teacher with more than 23 years' experience, I am pleased to be speaking in the debate, and I am grateful to the right hon. Member for North Norfolk (Norman Lamb) for bringing it forward. He has direct personal experience of the issue and has spoken movingly about it. I think that we would all agree that he has moved the debate forward, certainly in England, where much more focus has been placed on the matter.

There is no doubt that over the past 20 years we have all started to become more aware of mental health, and of how widespread its challenges are in our society. The right hon. Member for North Norfolk articulated the importance of continuing to move the agenda forward, and that is a very good thing, because the greater our awareness of different mental health issues, the forms they can take and the challenges they pose to our society, the better equipped and educated we are as we try to deal with them, and that is never more true than in a school setting.

We know that the teenage years can be challenging in and of themselves, as young people grow, discover who they are and try to find their own path in life, and mental health issues that are not addressed in those formative years can scar a young life forever. Indeed, as the hon. Member for Bury St Edmunds (Jo Churchill) pointed out, the whole family unit is scarred and caused real pain and anxiety.

We often hear Governments talking about attainment, teaching and learning, nurturing and citizenship, and inclusion, but none of those things are possible in their truest sense unless our children and young people enjoy good health, including good mental health. The statistics outlined by the hon. Member for Bridgend (Mrs Moon) are truly shocking. Apart from the human cost, we of course need to consider the huge economic cost.

All those who have contact with young people are charged with creating a supportive, positive and fostering environment. Of course parents have a role to play, but things might manifest themselves in school and not at home, so all those who have contact with children must be vigilant. Schools have a privileged and important

role in child protection. I can think of examples from my time in education when it was through the vigilance of a teacher that a young person who was struggling was identified and offered vital support, shielding the young person from falling into a downward spiral of problems and despair.

In Scotland, child and adolescent mental health services are linked to schools, and they work with young people referred to them by schools. The number of mental health professionals in those services has more than doubled under the current Scottish Administration. We all of course welcome the extra £15 million announced by the UK Government to help tackle mental health issues in young people, because we know that it is important in achieving positive outcomes.

I want to say a word or two, if you will permit me, Mr Nuttall, about some of the work that has been ongoing in Scotland for a number of years. In Scotland we have already built up support networks at the early intervention level to ensure that young people, parents and health professionals, as well as schools, are much more aware of how to help young people who begin to show signs of mental distress. In addition, we have already seen good examples of staff in schools being upskilled in areas such as mental health first aid, and some schools have involved young people themselves in the training programmes, so that they can support their peers. That might go some way towards tackling the stigma, which the right hon. Member for North Norfolk outlined.

In Scotland we are getting better at this work. The demand for child and adolescent mental health services has increased year on year, with 10% to 20% more young people starting treatment every year. That is being driven in part by the unmet need that we know has always existed across the entire UK, which is now being picked up by GPs, staff in schools and other children's services. We are getting better, but we are not there yet, and there can be no room for complacency on such a serious, widespread and important issue. I will point out, however, that for a number of years now Scotland has had a dedicated Minister for mental health, which is a symbol of the kind of commitment required by the enormous social issue with which we are confronted.

The new measures announced by the UK Government are good—of course they are, as far as they go—but let us not forget that, as the fierce advocate for mental health, the right hon. Member for North Norfolk, has already pointed out, mental health funding has not always made it to the frontline services where it is desperately needed, and that must be addressed. I note the comments about waiting times, and I say to the Minister that Scotland was the first nation in the world to introduce, in 2010, waiting time targets for child and adolescent mental health services. That is a good path that the UK Government should think about going down. Unfortunately, in 2015 people in England were told that it was not feasible to have such targets. Why is it not feasible? If it can be done in Scotland, there is absolutely no reason why it should not be done in England.

Every constituent part of the UK needs a coherent, ambitious and bold mental health strategy to address the scourge of poor mental health, which has a huge effect on society. The Scottish National party Government is in the process of setting out their vision for mental

[*Patricia Gibson*]

health for the next 10 years, to transform mental healthcare in Scotland—including for children and young people—funded to the tune of £5 billion over this parliamentary term, funding that has been prioritised despite enormous budgetary pressure.

It is that kind of big thinking—that joined-up thinking—that is needed by those living with poor mental health wherever they live in the United Kingdom. I am interested in the plans that the Minister will set out today. Will she look at some of the excellent work being done in Scotland to see what lessons can be learnt to improve the situation in England?

10.39 am

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to speak in this debate with you in the Chair, Mr Nuttall. I, too, congratulate the right hon. Member for North Norfolk (Norman Lamb) on securing this debate.

We have heard from Members of all parties: my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), who was here for a short while; my hon. Friend the Member for Bridgend (Mrs Moon); and the hon. Members for Taunton Deane (Rebecca Pow), for Bury St Edmunds (Jo Churchill), for Dwyfor Meirionnydd (Liz Saville Roberts), for Macclesfield (David Rutley), and for North Ayrshire and Arran (Patricia Gibson). We have heard much today about the state of mental health services for children and young people, which was the focus yesterday, and about some of the causes and challenges. I, too, welcomed the Prime Minister's intervention on children's mental health yesterday. It was a step in the right direction, but inadequate without work on existing resources, which I will come on to. If mental health treatment is a burning injustice, it needs more than what I have seen summarised as teacher training, a review and a Green Paper.

Providing mental health first aid training in secondary schools will help some young people, but given that 50% of mental health problems start by the age of 14, why is that training not being extended to primary schools? A further commitment could fund a counsellor in every school, as we have heard in this debate when it was discussed by the right hon. Member for North Norfolk. We have also heard about the excellent results of school counselling in Wales.

The Children's Society has stated that school-based counselling is seen as accessible, non-stigmatising and effective by children and pastoral care staff. As we have heard, it estimates that the additional cost of ensuring a counsellor in every school would be around £36 million; that is an overall £90 million cost when we include the current use of counselling by schools. That is not a great sum and it could make a great difference.

Personal, social, health and economic education should be statutory in our schools. That already has the support of the House. The Chairs of four Select Committees, including the Health and Education Committees, supported that as a

“crucial part of preparing young people for life.”

Importantly, the most recent Ofsted report on PSHE provision found that in two fifths of schools where learning was weak, pupils have gaps in their knowledge

“in the serious safeguarding areas of personal safety in relation to sex and relationships, mental health, and alcohol misuse.”

Does the Minister agree that if the Government are serious about tackling the stigma around mental health, making high-quality PSHE lessons statutory would be a good place to start?

Clearly, schools can play an important role in identifying vulnerable young people who may be living with mental ill health, such as those in care or those who have experienced abuse and neglect. Schools need to be supported to identify and respond to the safeguarding and emotional needs of young people affected by abuse and neglect, yet according to the Children's Society, less than half of mental health trusts have clear pathways set up for referrals of children who have experienced sexual exploitation. If we think of the number of places in this country where that has been an issue, that is a serious gap.

Given the emphasis on the role of schools, it is deeply worrying that the National Union of Teachers' analysis of Government figures for the national funding formula consultation found that funding would be cut from a very large percentage—98%—of England's schools. My hon. Friend the Member for Liverpool, Wavertree, referred to the impact of cuts on schools' budgets and their ability to fund counsellors. Some Conservative Members feel that their budgets will improve, but for many schools, they will not. Does the Minister agree that putting greater financial pressure on schools will, as we have heard, damage their ability to employ counsellors and take on other vital work to link schools with mental health services?

If schools and teachers take on a role in mental health, they need to be able to make a referral to mental health services quickly. On average, nearly one in four young people are turned away due to high thresholds for accessing services. It is unacceptable that vulnerable young people are turned away from the services they need. When young people do get access to services, they can still experience wide variations in waiting times across the country; average waiting times for treatment range from two weeks in Cheshire to 19 weeks in north Staffordshire. Such disparities must be addressed.

I turn briefly to the issue of young people in crisis waiting long periods for a bed, or being admitted to units hundreds of miles from home; as we know, that includes young people with eating disorders being sent to Scotland for treatment. It is clear that the stress and sense of isolation that that causes can damage a young person's chances of recovery.

The Prime Minister said yesterday:

“By 2021, no child will be sent away from their local area to be treated for a general mental health condition.”

That is simply not soon enough. Will the Minister tell us whether that target of 2021 for out-of-area bed placements can be brought forward?

I turn now to CAMHS funding and the £1.4 billion of extra funding promised from 2015 to 2020. YoungMinds found, through freedom of information requests, that in 2015-16, only just over a third of clinical commissioning groups had increased their CAMHS spending by the full amount allocated to them, and this year only 50% of the CCGs had increased their spending to reflect the additional funds. As we have heard in this debate, it is totally wrong for such funding to be used for other

NHS priorities. We have also heard that it is important that we know what commissioners are spending the CAMHS funding on. The hon. Member for Bury St Edmunds was right to talk about Members of Parliament being able to drill down into CAMHS spending.

There has been an issue with the way that CCGs have reported their CAMHS spending to NHS England. The Royal College of Psychiatrists reported that CAMHS funding ranges from £2 per child per year in NHS Luton to more than £135 per child per year in NHS Birmingham South and Central. When pressed, the CCGs with the lowest expenditure levels said that they had reported only the figure for the additional spending allocated to them, rather than their total CAMHS spending.

In our debate on children's mental health in October, the Minister talked about delivering "accountability through transparency" on spending. I wrote to her on 7 December about the confusion among CCGs on the figures that they should be reporting on their CAMHS spending. I asked her to investigate and, if necessary, issue guidance so that we have the accurate figures on CAMHS spending that we need if we are to monitor that important area. I have yet to receive a response, so perhaps the Minister will respond on that issue.

Given that one in four young people are being turned away from services, we should be prioritising practical and measurable solutions to make sure that young people who need to access mental health services can do so. The Government can start the improvements, as a springboard from what the Prime Minister covered yesterday, by ensuring that the entire £250 million that was promised in each year of this Parliament is spent as intended. This spending should be ring-fenced for CAMHS and not used elsewhere in the NHS. If the social care precept can be ring-fenced, why not funding for children's mental health?

Some schools in some parts of the country are doing excellent work on the "Future in mind" programme. In Salford, we have an emotionally friendly schools programme to support our teaching staff. We have approved registers for schools counselling. We have established school champions and young ambassadors for peer support. We are doing a review of transitions from primary to secondary school. We have developed an emotional health directory of services for children and young people, which sets out the services available and resources on websites. We are establishing a rapid response advice line for frontline professionals in schools to give them advice and guidance in times of crisis or if they lack understanding.

So much is going on, but as the right hon. Member for North Norfolk said, things are not even across the country. The Government should make it a priority to ensure that young people have timely access to clinically effective mental health support when they need it. "Future in mind" set out

"A five year programme to develop a comprehensive set of access and waiting times standards"

to bring rigour to mental health. I feel that a five-year programme is too long. It does not seem fair to spend so long developing access and waiting time standards when young people are not receiving the treatment that they need. Does the Minister agree?

Yesterday's announcement could have been of a counsellor in every school, statutory PSHE and the ring-fencing of funding for children's mental health.

The things that we have discussed in this debate and to which I have just referred would have more impact on the burning injustice of mental health treatment than what has been summarised as teacher training, a review and a Green Paper.

10.49 am

The Parliamentary Under-Secretary of State for Health (Nicola Blackwood): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank the right hon. Member for North Norfolk (Norman Lamb), his colleagues and the Children's Society for initiating this debate. As ever, I pay tribute to his continuing personal commitment to improving mental health services, not only as my predecessor but also through chairing the commission on children and young people's mental health for the Education Policy Institute. That work has been extremely valuable to us.

The right hon. Gentleman is quite right to say that today's debate is both timely and hugely important. As many colleagues have demonstrated in their comments, we know the distress that mental health problems cause to individuals and those who care for them. Some 10% of children have a diagnosable disorder—700,000 in the UK—and they are twice as likely to leave school with no qualifications, four times more likely to become drug dependent and 20 times more likely to end up in prison. He could not have put it better. There is a compelling moral, as well as social and economic, case for change. We know that if we can get our children and young people the help and support they need early on, when problems first arise, we can make sure that the problems do not become entrenched. That is why the Prime Minister was clear in her determination to improve mental health services and tackle the burning injustice of those with mental ill health having a shorter life expectancy.

As has been discussed, the measures announced by the Prime Minister particularly tackle children and young people's mental wellbeing and build on the substantial work already in train to implement "Future in mind". We will continue that work, so that we can go further and faster in intervening earlier more often. In driving those reforms forward, one of the challenges we still face—the right hon. Member for North Norfolk identified this when he was a Minister—is the "fog" when trying to identify and pinpoint the best treatment and support for those with mental health problems. We need to base policies on the most robust evidence possible, so that we can be sure that we are providing the care that people need at the right time and in the right way.

That is why the Department for Education is conducting a large-scale school survey on the activities and approaches used in schools to support children and young people's mental health in order to find out what works best, and why the Prime Minister requested that the Care Quality Commission undertake an in-depth thematic review—the first of its kind. That is also why we are carrying out a prevalence survey on children and young people's mental health—the first since 2004, which was before YouTube, Twitter or Snapchat. The survey will look at issues such as cyber-bullying and the impact of social media for the first time, and it is on course to report in 2018. It will fill an important gap in our understanding.

As the right hon. Member for North Norfolk knows, I believe very strongly that transparency in mental health services has lagged behind that in acute services.

[*Nicola Blackwood*]

At a national level, data on children and young people's mental health services were included in the new mental health services data set for the first time in January. It is still early days, but as collection improves, new metrics to monitor delivery are becoming available. We know from experience in acute services that that does improve accountability, standards and safety for patients. I will respond in detail to the comments of the shadow Minister, the hon. Member for Worsley and Eccles South (Barbara Keeley) about her letter—I do not have time to do that properly right now—but we are looking at how we can drive accountability, eradicate all shadow of confusion from clinical commissioning groups about how they should be reporting, and make sure that we get that data set exactly right. As recommended by the taskforce, we will publish a 10-year research strategy to ensure that the evidence-gathering is sustained. A new policy research unit for mental health will be established in 2017 to make sure that the research continues to become a reality.

While all the evidence-gathering is going on, we cannot stand still. That is why we will press ahead with the implementation of "Future in mind". As the right hon. Member for North Norfolk said, some areas are performing well and improving, some need to get the message about why this is important, and others are coming from such a low base that they are still working on capacity building, so we are not seeing evidence of improvement yet, but we are clear that we are ambitious not only to deliver "Future in mind" but to go further upstream and intervene earlier to prevent problems. The evidence base that we are building will come together to support the publication of the Green Paper, with increasing focus on preventive activity across all delivery partners. The Prime Minister committed initially to a new focus on schools, colleges and local NHS services working more closely together to provide dedicated children and young people's mental health services. We are supporting schools and the NHS to develop work by evaluating models and approaches and exploring the impact that closer working can have. We will initially support that by funding the provision of mental health first aid training for teachers in secondary schools—we know that that works. That is our start. I am going to do the training in the next few weeks, to see exactly why it works.

As we know, the Prime Minister also launched a refreshed programme of activity on peer support in schools and online to help young people, through providing access to well-trained mentors, as well as comprehensive support structures to help identify issues and prevent them from escalating.

Mrs Moon: I urge the Minister to make sure that the Government look at best practice across the devolved Administrations. It is not a case of reinventing the wheel; let us look at what works elsewhere and incorporate that.

Nicola Blackwood: Absolutely. We are also looking at increasing support for schools by finding the evidence of what is proven to work in their approaches to mental wellbeing. That will be achieved by a programme of randomised control trials of promising preventive programmes across the country. As the hon. Lady also

mentioned, the refreshed suicide strategy has a particular focus on self-harm, which is causing so many problems in schools.

To make the measures work and to see the progress that we so desperately need, we have to work closely with colleagues across Government. As colleagues have said, schools and colleges have an important role to play in supporting children and young people's mental health. That role is not only laid out in statutory safeguarding guidance but is one of the four areas of Ofsted judgment in the new common inspection framework.

Colleagues are right: if we are to expect schools to play this role, we must give them the right training and resources. In 22 pilot areas, which include 255 schools across the country, NHS England has been trialling a single point of contact in schools. That programme has tested improvements in joint working between school settings and specialist mental health services—particularly improvements in local knowledge and identification of mental health issues—and it aims to develop and maintain effective local referral routes to specialist services to ensure that children and young people have timely access to specialist support where required. It is also testing the idea of a lead contact in schools and specialist mental health services and examining how different areas choose to put that into practice. The work is being independently evaluated by Ecorys, and the final report will be available in the spring. The question is whether that system is more effective than having an individual counsellor in every school. We are looking at that.

Other support available includes Government-funded PSHE Association guidance, and lesson plans on how to teach mental health across all four key stages. A range of training on how to recognise specific mental health issues is available to all professionals who work with young people through the MindEd website; our analytics have shown that teachers are the largest single group of registered users on the MindEd tool. As the shadow Minister said, mental health and wellbeing is an evolving and vital area of education, and we need to make sure that it is fit for children growing up in modern Britain, so the DFE is looking again at the case for further action on PSHE and sex education provision, with particular regard to improving quality and accessibility. I am sure that it will keep the House updated on that.

The right hon. Member for North Norfolk is absolutely right that school counselling can turn around a child's whole life trajectory, so schools are encouraged to provide counselling services, and the DFE has produced guidance on good school-based counselling as part of a whole-school approach to wellbeing. It has also published advice on behaviour and mental health, which provides teachers with information, and with tools to help them identify pupils who need help and to give effective early support in understanding when a referral to a specialist mental health service may be necessary. An advisory group, including sector experts and young people, looked at what good peer support for mental health and wellbeing looks like and considered how to encourage good practice in schools, community groups and online. There is much greater recognition that the earlier we pick up these things, the better it is for young people and their mental health.

The "Children and Young People's Mental Health: Time to Deliver" report from the right hon. Member for North Norfolk found that we are making progress in

many areas of the country, but not nearly enough to be complacent. I agree completely with that. We are restless in our ambition not only to drive delivery of “Future in mind” in all areas, but to go further and deliver upstream interventions to prevent problems, rather than waiting until the need for treatment. I hope that I have convinced the right hon. Gentleman that this is an area to which we are fully committed, and that we will continue to drive forward with his agenda.

Question put and agreed to.

Resolved,

That this House has considered the matter of supporting children's wellbeing and mental health in a school environment.

Leaving the EU: European Social Funding in Scotland and the UK

11 am

Natalie McGarry (Glasgow East) (Ind): I beg to move,

That this House has considered the effect of the UK leaving the EU on European Social Funding in Scotland and the UK.

It is a pleasure to serve under your chairmanship, Mr Nuttall. During the EU referendum campaign last year, great importance was attributed, and a lot of time was given, to the debate about how much money the UK contributes to the EU. One spurious and now debunked claim was plastered on the side of a now infamous bus. However, seldom spoken of before, during or after the referendum campaign were the funds that come back from the EU to the UK, where they go and the difference they make. We live now in post-vote, pre-Brexit uncertainty, in which the vacuous slogan “Brexit means Brexit” is accepted as satisfactory political discourse, although it has little meaning. Indeed, Scotland's First Minister, Nicola Sturgeon, stated last week that even after high-level talks with the UK Government she is no further forward in understanding the UK Government's negotiating plan.

The debate during the run-up to the referendum became so shrill and engulfed in dog-whistle politics that the many benefits of EU membership were ignored in favour of focusing on borders and migrants, even though those benefits make a huge difference to many communities in many constituencies, including mine. I am, of course, referring to European structural investment funds, which bolster and boost economic development across the EU's member states and regions. Since their inception in the 1970s, European structural funds have enabled great progress to be made in reducing economic and social inequalities among the EU's member states and regions.

My remarks, and indeed my concerns, focus predominantly, but not exclusively, on the European Social Fund. Like other nations across Europe, Scotland has benefited enormously from European social funding. That great investment in our people has created invaluable opportunities in employment and education in the city of Glasgow and across Scotland and the UK. In the current period—2014 to 2020—Scotland will benefit from the European Social Fund to the tune of £464 million. Those funds, matched by the Scottish Government, will see millions of pounds invested across the country to improve sustainable and quality employment, to promote social inclusion and combat poverty, to create opportunities in education and employment, and to fight youth unemployment.

It is easy to distil facts and figures into rhetoric while missing the impact on the lives of real people in our communities, for whom European social funding helps to bridge a gap. In communities in my constituency, partnership working with local housing associations, such as that between Parkhead Housing Association and Glasgow Kelvin College, uses outreach to teach computing skills to people in their own communities and community centres, which lowers digital exclusion and helps people to attain the confidence and skills they need to achieve their potential. The system would otherwise leave behind many of those people.

[*Natalie McGarry*]

The last round of European social funding—2007 to 2013—supported fantastic and worthwhile projects across Scotland. Glasgow City Council helped people out of gangs and into work. Coatbridge College provided employability services to school leavers. Glasgow Met worked with ethnic minorities to improve employability skills. The Wise Group helped people find routes out of prison. Fife Council tackled worklessness. Glasgow Clyde College provided community-based training. The Scottish Chambers of Commerce offered business mentoring. Dundee College helped people not in education, employment or training. ENABLE Scotland supported people with learning difficulties into work. The Glasgow Centre for Inclusive Living helped people with disabilities to secure work.

Brendan O’Hara (Argyll and Bute) (SNP): My hon. Friend is making a compelling case about the impact of the loss of European social funding on Glasgow and the surrounding area. Does she agree that the loss of ESF funding will have serious consequences right across urban and rural Scotland, including on my constituency, whose fragile economy benefits greatly from ESF funding and whose people voted overwhelmingly to remain within the European Union?

Natalie McGarry: The hon. Member makes a very compelling case. He is a doughty fighter for his constituents in Argyll and Bute.

Kirsten Oswald (East Renfrewshire) (SNP): Before coming to this place, I worked at South Lanarkshire College, and I saw for myself the immense difference to people’s lives that ESF funding can make. Does my hon. Friend agree that there are many people in our local communities, including mine, whose lives are on a very different and more positive trajectory because of the benefits of colleges such as South Lanarkshire and the work they do with European funds?

Natalie McGarry: The hon. Member makes a very important point. The post-Brexit discourse has focused on higher education and other sectors, but not much on further education and the invaluable work that is done in local communities—at the very coalface, in the sense that people in colleges and community groups go into the very hearts of communities, where people are hardest to reach. That work is invaluable, and the hon. Member’s point is well made.

The projects that I mentioned are only a few of the many supported through European funding that make a tangible and real difference to the lives of people in Scotland and across the rest of the UK. This year alone, Glasgow Kelvin College, a further education institution that serves my constituents and has a campus in the Easterhouse area of my constituency, secured £1.5 million-worth of European social funds, on top of £1.9 million last year, which enabled it to continue its fantastic work on employability and vocational skills across Glasgow. That European social funding directly supports real jobs—more than 10 of them—and helps to create opportunities for many more.

In the past few months, I have met the principals of colleges in Glasgow with groups and organisations whose work relies on European social funding. They are worried about the future. They should currently be considering

future bids for funding, but little or no information has been forthcoming about where they stand. The Government can provide certainty to Nissan and talk about guaranteeing research and technology funding to appease the higher education sector, but European social funding is the Kevin McAllister of the Brexit rush—drowned out by louder voices, trampled on in the rush to get out the door and left home alone.

The elephant in the room is, of course, the fact that the UK is leaving the EU, and that no non-EU country has ever received European social funding. Brexit is not the circumstance of Scotland’s or Glasgow’s choosing. Organisations across our city and throughout our country stand to lose hundreds of millions of pounds. Our people the length and breadth of Scotland and the UK stand to lose invaluable services and support, which will be to the detriment of their lives and our economy.

My constituency—indeed, our entire city and our country—voted to remain, yet our further education and communities face Brexit’s damaging consequences unless the Government stand up now and guarantee that they will protect the funding for projects at an equitable and comparable level. The true and full impact that the projects financed by the European Social Fund have may not be fully realised during one round of funding, but it will be undoubtedly real and lasting. That cannot be said of the impact that taking it away will have—it will be immediate and painful. EU funding has been an integral feature of Scotland’s educational, employment and economic landscape for so long that the removal of those key resources cannot be easily done—at least, not without substantial damage.

Carol Monaghan (Glasgow North West) (SNP): Does my hon. Friend agree that much of that damage will be done to the deprived communities in cities such as Glasgow, which use such funding to engage young people in education, employment and training?

Natalie McGarry: The hon. Member has pre-empted almost my next sentence.

Worse still, because structural funds are targeted at poorer regions and areas of higher socioeconomic disadvantage, the impact will be disproportionate if such gargantuan funding gaps cannot be filled. Of course, the UK Government have announced that they will underwrite all EU structural and investment fund projects signed before the autumn statement last year, and that they will assess whether to underwrite funding for certain other projects that are signed after the autumn statement but before the UK leaves the EU. The Chancellor of the Exchequer said that the UK Government were “determined to ensure that people have stability and certainty in the period leading up to our departure from the EU”.

That statement, however, is at odds with the Government’s position, and their rhetoric is far from reconciling with the reality facing organisations in Glasgow, across Scotland and, indeed, throughout the UK. The Government’s position falls far short of what is needed. It is a limited guarantee for a narrow number of schemes for a restricted number of years, and it will leave Glasgow and Scotland hundreds of millions of pounds worse off than if we were still members of the EU. Organisations throughout Scotland that provide invaluable services do not have the certainty or security that the Chancellor has promised them.

In December, at Education questions in the House, I expressed those specific concerns. After I asked my question, the hon. Member for Luton North (Kelvin Hopkins), who had campaigned to leave, asked:

“Given that all EU spending in Britain is simply returning part of our gross contribution to the EU budget, would it not be sensible for the Government simply to commit now to replacing EU funding with UK Exchequer funding, thereby keeping everyone happy?”

The Minister for Schools replied that the

“the United Kingdom Government will decide how best to spend the money that was previously going to the European Union.”—*[Official Report, 19 December 2016; Vol. 618, c. 1164.]*

That was certainly more substantive than “Brexit means Brexit”, but no more enlightening.

With an eye to the future, what assessment have the Government made of the impact of losing EU structural funding on economic growth, output, productivity and employment in Scotland and throughout the UK? Does the UK intend to adopt a similar social and regional development programme to that of the European social fund and the European regional development fund? If so, would the UK Government match the existing allocated structural fund budget in absolute terms? Would any new programme have the same priority areas of focus as EU structural funds? The EU structural funding programmes allow for long-term planning over a seven-year period. Would the UK Government commit to a similar seven-year funding structure, or would it be different?

In the here and now, will the Government confirm that European social funding will not be frozen during the negotiations for the UK to leave the EU? Will the Government confirm what discussions they have had with the EU to ensure that structural funding that has been allocated to Scotland for 2014 to 2020 will not be clawed back? Finally, will the Government commit to undertake an evaluation of the European regional aid lost to Scotland during 1975 to 1995 because of the Government’s deployment of a subtractionality funding model?

The UK Government can, should and must do more. Ignorance, or indeed arrogance, will simply not suffice. It would be unforgivable for Scotland to be punished for a situation not of its own making; to suffer for an ill-judged Westminster gamble to appease Eurosceptic Back Benchers. Now is not the time for uncertainty for the further education sector or invaluable community projects. The Government can end that uncertainty now.

Guaranteeing existing levels of support and match funding is not subject to treaty negotiations with EU partners; we are talking about the here and now, and about what the Government choose to prioritise. The Government cannot hide behind empty slogans because this is about the Exchequer and the Government’s spending priorities. The Prime Minister stood on the steps of Downing Street and said that she wanted a Government who would work for all. Prove it. She should not disregard Scotland and not ignore our interests, and she should show us her plan and that she is serious about protecting Scotland.

11.14 am

The Economic Secretary to the Treasury (Simon Kirby): It is a great pleasure again to serve under your chairmanship, Mr Nuttall. I congratulate the hon. Member for Glasgow

East (Natalie McGarry) on securing the debate and on her thoughtful contribution. I also thank the hon. Members for Argyll and Bute (Brendan O’Hara), for East Renfrewshire (Kirsten Oswald) and for Glasgow North West (Carol Monaghan) for their additions to the debate, which has been useful and interesting.

The European social fund was set up with the objective of creating a more cohesive society, as well as a more prosperous economy throughout the EU. Projects throughout the UK, including in Scotland, have received funding from the fund. Under the ESF programmes for 2014 to 2020, a total of €466 million was allocated to Scotland. Funding for some 123 projects has already been agreed. The previous ESF programme in Scotland saw more than 430 projects funded and completed, and more than 390,000 people supported. In England, 86% of participants said that they had, for example, developed skills required in work.

Leaving the EU means that we will want to take our own decisions about how to spend our own money, which will continue to deliver the policy objectives previously targeted by EU funding. That is the context in which we have gathered for this debate. I would like to start by saying that I recognise the concerns of the hon. Member for Glasgow East and others who have spoken so passionately in the debate. She asked for certainty. I agree that it is essential that we provide certainty for recipients of ESF funding. That is why in October my right hon. Friend the Chancellor of the Exchequer announced certain guarantees.

All European structural and investment funds projects signed before last year’s autumn statement will be guaranteed, including those funded by the ESF. That also includes those projects that will continue beyond the UK’s departure from the EU. Moreover, funding for projects signed after the autumn statement, but before we leave the EU, will also be guaranteed—that is, providing that the responsible Department is content that the projects provide strong value for money and are in line with domestic strategic priorities, which are both reasonable points.

Carol Monaghan: All those assurances were very welcome when they were made, but the problem remains that we have an issue beyond that. We need to look to the future. We need a guarantee of funding—a pot of funding that will still be available for further and higher education way into the next decade.

Simon Kirby: I recognise the hon. Lady’s point, which I will cover. It is important that we have a long-term objective, that we spend money wisely and that we get the best possible solution.

The Government will ensure that the devolved Administrations are funded to meet the commitments they have made under current EU budget allocations. Given that the administration of EU funding is devolved, it will be for the devolved Administrations to decide the criteria used to assess projects.

I would like to respond to some of the specific points made. I want to reassure the hon. Member for Glasgow East about the guarantees, to which I referred, announced by my right hon. Friend the Chancellor—specifically, to ensure that recipients of funding throughout the UK, including Scotland, will have payments guaranteed. After Brexit, they will continue to be guaranteed. They will

[Simon Kirby]

not be frozen or clawed back during the negotiations. That is an important point. The Government have committed to consulting stakeholders to review all EU funding schemes in the round. In the meantime, the Chancellor has made two guarantees, which I have mentioned. The hon. Lady's questions are the very types of question that we hope and anticipate stakeholders will raise in the consultation, and the Government will listen carefully to everyone's contributions.

It is also worth putting it on record that the UK Government's decision to focus on investment, which was announced in the recent autumn statement, will result in the Scottish Government's capital budget being increased by some £800 million by 2021—money that can be used to boost productivity and promote growth in Scotland. Significantly, the Scotland Act 2016 also enables the Scottish Government to raise more than half of its own funding.

In conclusion, as we are all very aware, the UK will leave the EU. The Government are determined to make a success of that for all of the UK, including Scotland. We have been clear about the contribution of funding secured through the ESF, but leaving the EU means that we will want to take our own decisions about how to spend UK money. Brexit will allow us to do that. The Government will work closely with the Scottish Government to get the best possible deal for all parts of our United Kingdom. We will give the Scottish Government every opportunity to have their say as we form our negotiating strategy, and the Government will continue in the coming months to consult stakeholders to review all EU funding schemes in the round. We are very much in listening mode.

Our aim will be to ensure that any ongoing funding commitments best serve the UK's national interest while ensuring appropriate certainty. The Scottish Government and other devolved Administrations will be fully involved. In the meantime, it remains important that recipients of ESF funding continue to implement good value projects. The coming years will present a number of opportunities, which we must grasp and maximise. I am encouraged by the commitment of those who have spoken in support of vital schemes in their constituencies, and we will continue to work closely with all partners to ensure that every part of the UK prospers.

Question put and agreed to.

11.23 am

Sitting suspended.

Soft Drinks Industry Levy: Funding for Sport in Schools

[SIR DAVID AMESS *in the Chair*]

2.30 pm

Sir David Amess (in the Chair): The clocks on either side of the Chamber are not working, but frankly we are not overwhelmed with people wishing to speak so there will be no time limit on speeches.

Justin Tomlinson (North Swindon) (Con): I beg to move,

That this House has considered the allocation of funding from the soft drinks industry levy for sport in schools.

May I say what a pleasure it is to serve under your chairmanship, Sir David? This is a subject that I am passionate about. Since becoming an MP, I have spoken in a number of debates on the power of sport to influence good behaviour, create opportunities and provide enjoyment. I must stress that the purpose of the debate is to focus not on whether we are right or wrong to have a sugar tax, but on how we should spend the levy, now that the decision has been taken. With a £500 million pot, that is a significant amount of money that can make a genuine difference.

I must thank all the organisations that have contacted me in recent days ahead of the debate, including: the Sports and Recreation Alliance, which is understandably keen to see sporting opportunities increase; Sustrans, which wants to see more funding for walking and cycling programmes to and from school; Youth Sport Trust, which has also focused on the sports element and the link between greater physical activity and greater academic performance, which I know the Minister for School Standards will welcome; and ukactive, which has done a huge amount of research, highlighting in particular the cliff edge fall in activity during school holidays, which I will come back to. I was also contacted by health organisations such as: Diabetes UK, which is obviously in favour of reducing the amount of sugar being used; Cancer Research UK, on the same principle; and the Royal College of Surgeons, on behalf of dental surgeons, obviously to reduce tooth decay.

This is an important subject, because one third of children are obese or overweight by the time they leave primary school. To me, that was a staggering statistic to read. When I was growing up, it seemed that all of us were active and charging around, so I was staggered by the figure of one third—one in three. That is not only an alarming figure; social norms start to be created. If an increasing number of children are overweight or obese, that becomes acceptable and therefore it starts to increase. On a topical level, through the NHS we currently spend £6 billion a year helping people with illnesses linked to being either overweight or obese. How we could better spend that money if there were fewer obese people. And an obese child is five times more likely to be an obese adult than an adult who was not obese as a child.

The Youth Sport Trust highlights that only 21% of boys and 16% of girls meet the recommended guidelines for physical activity. I recognise that we are competing with video games, shrinking gardens—back gardens are

now one third smaller than they were in the 1960s—and cautious parents. When I was growing up, parents did not think anything of children disappearing on long bike rides, playing in distant parks and going to their friends' houses far afield, whereas nowadays parents are understandably worried if their children are out of sight. Again, that limits the opportunity to be active.

The Government recognise that we have to do something. In August 2016 they published “Childhood obesity: a plan for action” with the aim of reducing significantly the rate of childhood obesity. The plan included the soft drinks levy, which is worth £520 million a year, and clearer food labelling—something I pushed for in the previous Parliament through my work with the British Heart Foundation—because we have a duty to allow consumers to make informed decisions. Another fact that surprised me—I say this as someone who does enjoy drinking sugar-laced fizzy drinks but who wishes to be informed—was that a five-year-old should take in no more than 19 grams of sugar a day, yet one can of Coke contains 35 grams. How many consumers actually know that? If they did, would they change their habits?

Crucially, the plan was announced as part of a nudge policy, where we gave the industry two years to make changes. I recognise that many of the leading manufacturers and retailers are already making changes—as I said, I am not focusing on whether the levy was right or wrong, but clearly part of the strategy is to influence behaviour—but, as we have recognised that physical activity is good for health and good for improving academic performance, I welcomed that the money would be ring-fenced to spend on activities connected to schools. If we are to have a tax and get extra money, let us ensure that that money is spent in the right way. The best way to do that for children is through schools.

Liz McInnes (Heywood and Middleton) (Lab): I congratulate the hon. Gentleman on bringing this important subject to the Chamber. Given his enthusiasm for sport in schools, which I share, would he like to comment on the coalition Government's decision to scrap the school sport partnerships in 2010, which has had a really detrimental effect on sport in our schools? I do not see the sugar tax as going all the way to replacing the excellent school sport partnership scheme that we had.

Justin Tomlinson: Actually, that was the very first time I rebelled—I was rewarded by sitting on some obscure European committees thing for five years to think carefully about my actions. The funding was not scrapped. There was a change and initially a proposal to remove the ring-fencing, but the money was then once again ring-fenced, though schools were allowed to choose how to spend it on sports-related programmes. I supported that because we have got some fantastic school sport partnerships that are still thriving today—including my local one—but there were also some pretty poor ones, which have gone by the wayside, and those schools have now spent that money on individual sports coaches, sports clubs and things like that. We got there in the end, and funding has increased in this area since 2010.

Frank Field (Birkenhead) (Lab): Before the hon. Gentleman leaves the issue of sport, no one is against using some of the sugar tax revenue for encouraging

greater sporting activities, but does he not accept that in his constituency, in mine and in everyone else's, during the school holidays large numbers of children who would have free school dinners during term time do not get any food from the school or free school dinners? Might not one of the ways of making the sugar tax progressive be to earmark part of the revenue to ensure that schools could at least lay on the facilities for voluntary bodies to provide school dinners during the holidays?

Justin Tomlinson: That is a powerful point, and I agree with the sentiment of it. I would not necessarily use the sugar tax money, but that is something that the Government could consider as a wider point. It is a fair point, and actually some of the head teachers in some of the more deprived parts of my constituency have raised similar concerns about what happens to the children not just with regard to eating, but on wider issues throughout the holidays.

As it stands, there will be £285 million to extend the school day in secondary schools in relation to sport, £160 million to double the primary school physical education budget, and £10 million to expand breakfast clubs. That was welcomed by Emma Boggis, the chief executive of the Sport and Recreation Alliance, who said it will

“deliver more opportunities to get children of a young age active” and

“to stay active in later life.”

That is an important point. We must recognise that the opportunities we create must be regular and sustainable, because we also recognise that if the Government's intention for the sugar tax works out and all the manufacturers reformulate their products and customers switch from full-sugar versions to zero-sugar versions, the amount of money will diminish. We must therefore ensure that the money is spent to seed regular sustainable activities. This is where I bring forward my rather reasonable—in my unbiased opinion—asks.

This has all come about from a visit to Oakhurst Community Primary School, which hosts the Draycott sports camp, run by Mark Draycott, a PE teacher at the school. The school runs after-school clubs, weekend clubs and school holiday clubs. There are lots of sports camps and I am sure that all of us as MPs have visited them at some point, but this one sets itself apart by a country mile. More than 200 primary schoolchildren were being active each and every single day in the last summer holidays, of whom slightly more were girls than boys—that is something for Sport England and the Sport Minister to recognise and celebrate, because that is a particular area of challenge—and they were engaging in all sorts of different sports.

A summary of how the camps work is that they run during every school holiday from 9 am to 6 pm, costing £12.50 a day, which is probably the cheapest childcare that a parent will find. They create an active environment that is inclusive and engaging for all abilities. That is vital, because a particularly sports-minded child probably has sports-minded parents and will already be signed up to a football, rugby or netball club. The camps are for the vast majority of children who are not necessarily sports-minded and who are the most likely to become obese.

[Justin Tomlinson]

The camps focus on helping children to be more active and introducing them to new sports—not only football and netball, but cricket, athletics, golf, lacrosse and so on—so that they can replicate what inspires them on the television. I visited a camp during the Olympics and saw them recreate the things that were inspiring them on the TV—it was amazing. Because Mark Draycott is a teacher, and because the majority of his support staff have connections to the school or are teachers themselves, they have the expertise to identify and support those children who are starting to fall by the wayside, and who are not naturally gifted or naturally enthusiastic about sports, to make sure that they remain engaged. They concentrate on killing the fear factor that some children have when playing sports and ensuring that they enjoy the activity. They are increasing participation among girls and bucking those national trends.

I highlight that because we have an opportunity to replicate this. As Mark Draycott said when he was interviewed on “BBC Points West” this morning, the camps should be not only at Oakhurst in Swindon, but all over the country; there should be hundreds and hundreds of them. They are sustainable, because the taxpayer is not paying him to do this—he is running the camps as his own organisation. However, the Government can help. First, anybody who wishes to set up one of these camps will need to build up numbers. We could therefore look to incentivise other people to do the same sort of thing as Mark by reducing the charge for hiring the school facilities at the beginning, until they build up the numbers and become sustainable in their own right and can keep going.

We also need to attract more good quality physical education teachers into the profession. We had a chronic shortage of PE teachers, although more are beginning to come in now. The beauty of this situation is that Mark Draycott came from a sporting background—he was a non-league sports player. The coalition Government tried to attract troops to become teachers, but it turned out that there were not millions of troops who wished to become teachers. However, there are many non-league sports stars who are minded and who, with the right incentives and the right instructions, could go on to become very good PE teachers in schools. I urge the Minister to look at that potential wealth of talent from whom, if we advertise to them, we could potentially recruit some very good people.

There could be lots of Draycott sports camps all over the country, which would be fantastic for those who wish to pay and can afford to do so—as I have seen, for 200 children every single day. That is something that we can replicate. However, I wish to go even further. I would also like to see all school facilities made available for free between 4 pm and 6 pm to any voluntary organisation that wishes to use them. For example, if some parents get together and wish to put on a netball, football or basketball club—I do not mind which, so long as it is a constructive activity for young people—between the hours of 4 pm and 6 pm, we should not charge them. Some of the sugar tax money can then be used to compensate the loss of income to schools. That is not a peak time for school hire fees, because school sporting facilities are generally used when offices and factories shut at 6 pm, which is when schools would

expect to make their income. I therefore suspect that compensation would be only a modest part of that income, but it would remove the barrier that many enthusiastic parents find.

I know that, because I spent 10 years as a borough councillor in Swindon representing a new build area with private finance initiative schools. There were limited leisure facilities, yet there were fantastic sporting facilities that the taxpayer was paying for but which we could not afford to access at a time when they were simply not being used. That does not make sense. We can find people willing to give up their time; there are hundreds of sports clubs across all of our constituencies that would seize the opportunity to provide constructive opportunities that will make our children active, that will remain in place once the money starts to diminish and, crucially, that will help busy parents.

Carol Monaghan (Glasgow North West) (SNP): Does the hon. Gentleman recognise that many teachers across the UK are already running voluntary after-school clubs and taking their own time to offer the sorts of activities he is talking about?

Justin Tomlinson: I absolutely pay tribute to teachers, parents and people in the local community who are prepared to give up their own time to provide constructive activities for young people. I want the Government to encourage the entrepreneurial spirit that Mark Draycott showed so that others can set up their own holiday camps and there are regular, good and exciting opportunities for young people.

In conclusion, I urge the Government to seize this opportunity. It is not often that a Department is given a significant increase in funding. I know from my time as a Minister that it is normally a case of wondering how on earth we can find money to do all of the worthy things we would like to do. However, this is an opportunity to benefit children by making them more active and therefore less obese, and to improve their academic achievement, because there is a direct link between those who are active and their ability to progress academically. It will also be a welcome blessing for hard-working, busy parents, whose biggest challenge is often what to do with children after school, during the long school holidays and at weekends. This offers the opportunity to deliver those long-term, sustainable solutions. I want every child to have as much fun as those children who go to the Draycott sports camp, and now is the time we can make that a reality.

2.46 pm

Maggie Throup (Erewash) (Con): When I first heard about the sugar levy, I was naturally against it; I am against taxes and I am against extra levies. However, as a member of the Health Committee, I saw the evidence for myself, and I realised that the issue of obesity is too great to ignore. My hon. Friend the Member for North Swindon (Justin Tomlinson) has already alluded to some of the data, which show that one in five children start primary school either overweight or obese—that doubles for children in the most deprived parts of the country—and that one third of children now start secondary school either overweight or obese. However, what is really frightening is that children are now being diagnosed with type 2 diabetes, which until recently was seen as a disease of older age.

Along with the Health Committee, I came to the conclusion that we must do whatever we can to combat this epidemic. Even though I am against taxes, this is part of a whole raft of measures that we need to take on board to protect the future health of our nation. We should not see the sugary drinks industry levy as a tax and as money that will always be there; we need to use it as part of a method of helping families to change the way they live and their current habits. As part of the plan is to encourage the industry to reduce the amount of sugar in drinks, the levy will decrease year on year, so we need to look at ways of ensuring that whatever uses for that money are set up now are sustainable, and that the young people do not fall off the cliff edge once the money is no longer there.

I am delighted that the money is going to be spent mainly in schools. Let us face it: children spend most of their time in the school environment. As my hon. Friend the Member for North Swindon alluded to, they could spend even more time there and undertake some of the activities we have talked about. The school environment is perfect for creating new habits and for helping those habits to go to the home environment as well. We need to tackle obesity at every age. It is a huge problem in the adult population as well as in children. If we can change those habits in the children now, we will be changing those habits for life. That is really important.

There are two sides to how the levy can be spent. Today we are focusing on exercise, but it is also about nutritional education as well. That is why I am delighted that some of the money will be spent on extending breakfast clubs. I would like to see that not only for breakfast clubs, but for after-school clubs that can help children learn more about how to cook further meals, not just how to eat breakfast. We have a long way to go on that.

Let us focus more on how the money can be spent on activity within schools. As chair of the all-party group on adult and childhood obesity, this issue is very close to my heart. I have said before that the plan launched in August does not go far enough. It needs to be braver and bolder and to include more measurement. We can continue to have that argument. The plan set the ambition for children to have 60 minutes of moderate or vigorous exercise a day at primary school age, and for at least 30 minutes of that to be in the school environment. It also recommended expanding breakfast clubs, which I mentioned, and for secondary schools to be open longer, with some of those extended hours including sports clubs and groups. As my hon. Friend said, that could extend to the school holidays and not just be at the end of the school day.

It is important we are able to measure the outcomes of anything we put in place, because we need to know what works and what is cost-effective. As I said, the levy will reduce over time, so we need to know what is and is not worth investing more money in. Whatever we do should have a tick box for sustainability.

I have come up with some ideas. We have heard in the past about the daily mile, whereby children run or walk a mile every day within school time. However, some schools do not have the right environment for that. Some have playing fields, but at this time of year they can be very muddy. Investment in all-weather paths would be useful for the future, so that children are not discouraged by getting very muddy; sometimes children

do not like to get dirty, and at other times they do. If they had a good environment, they could get out there and be active. Once that surface is in place, the activity becomes free and sustainable, and it could be used after school and in the school holidays, not just during school time.

Only last week I visited one of my schools in Ilkeston, Hallam Fields Junior School, which is a very fortunate school. It is built on the hillside and its playing fields and grounds have fantastic views, so the kids love going out to play. Not far away is another school that is enclosed by houses. Its outdoor facilities are just not as good. We need to encourage kids in schools where facilities do not lend themselves as easily to exercise and help those schools. Perhaps we can look at schools joining together in some way.

We need to extend this debate to what children do outside school. They can form habits within the school environment, but if those habits are not continued once they get home, it is not good for the children, for the parents or—let us face it—for the taxpayer. A number of family activities can be done at very low cost and with little investment. Once again, we could look at using some of the levy from the sugary drinks tax for that. As I said, schools need to provide at least 30 minutes of exercise per day, but that means parents need to provide more exercise as well every day.

Improving some of our parks could be one answer. I know that parkruns are very popular. In fact, Long Eaton parkrun has just received an award for being a good community group for the whole of Derbyshire, which is really encouraging. It does not cost anything, and it caters for all abilities and ages. If we could encourage more voluntary groups such as that to provide activities, that would be really good and in keeping with what my hon. Friend is talking about.

We have seen some great successes within the senior school environment through the “This Girl Can” campaign. One of my other schools, Kirk Hallam Community Academy, has been very successful in encouraging more girls to get involved in exercise. That has now filtered down from the secondary school to the local primary school, which is really good. Local authorities have responsibility for maintaining parks, but they also have responsibility for public health. If they were encouraged to invest more in outdoor activities that helped the public health side of things, it would be a win-win situation. It is important that there is joined-up government to ensure that we tackle the problem of obesity head-on. If we just leave it to one Department or another, I am sure it will fall through the net.

Cycling is another activity that allows parents to lead their children by example and helps to form lifetime habits. My hon. Friend talked about barriers. The cost of a bike could be a barrier to many families. We are all familiar with the Boris bike, so why not use that concept and have community bikes? Schools could play their part by providing a hub for community bikes. Families could book bikes, go out for a 5-mile or 10-mile cycle and then return them. There could be a range of bikes for all abilities and ages, and children could get some exercise and continue a habit formed in the school environment. That would benefit children and adults as well. It has been estimated that in the first year the sugary drinks levy will raise £520 million. In this context,

[Maggie Throup]

that is not a lot of money, so it must be invested wisely and effectively. We must also be able to measure the impact.

I want to finish by painting a picture, which hopefully will help people to understand just how important it is to do whatever we can to tackle the obesity crisis. The sugary drinks levy is just one way to tackle this. Cancer Research UK recently revealed that teenagers drink almost a bathtub full of sugary drinks on average every year. That is shocking, and it needs to be changed. The sugary drinks levy must be just one part of a whole raft of measures, to ensure that our young people stop drinking that bathtub full of sugary drinks annually. Whatever we think about the sugary drinks tax, the money must be spent wisely and in a sustainable and measurable way.

Several hon. Members *rose*—

Sir David Amess (in the Chair): Order. Before calling the next speaker, I remind Members that there is a firm rule now that if they intervene, they must remain for the winding-up speeches, so they cannot just intervene and then depart. I call Mr Tom Mc Nally.

2.58 pm

John Mc Nally (Falkirk) (SNP): It is Mr John Mc Nally. It is a pleasure to serve under your chairmanship, Sir David.

I thank the hon. Member for North Swindon (Justin Tomlinson) for securing this debate and congratulate him on his rebellious nature. We are probably all very grateful for that. He might be welcome in our party in the not-too-distant future.

David Rutley (Macclesfield) (Con): He's from North Swindon, not Scotland.

John Mc Nally: Well, you never know. We are growing as we go.

I welcome the introduction of the sugar tax with open arms. I was glad that the Chancellor looked at this issue and introduced this possibility, so that today we can look at how we best use this money. It is one of the biggest changes to benefit our communities in general.

I have to declare an interest. In the first instance, my three great-nieces, Liv, Honor and Celi, were all under the scholarship and tuition of Elaine Wyllie at St Ninians Primary School. I have seen that initiative working at first hand. I have also taken on board what Maggie, MP for Erewash, said about how to put in the proper surfaces—in fact, at that time, I was quite instrumental in helping the person who was laying the surfaces—and how to reduce the number of puddles on the surface so that people can train and walk on it. That initiative has been one of the biggest successes in the whole area, so I am very grateful to Elaine Wyllie.

At the last meeting of the APPG, where I am proud to serve under Maggie Throup, Elaine Wyllie came along to explain how successful the daily mile has been, and not only in Stirling and my own area of Falkirk, where all the schools are participating. I think that Barack Obama became involved in the initiative; it has spread through the whole world. It grips the imagination. We only have to stand and watch the children going to

school to see the benefits in how they act. They are eating better and looking better, and their attention to school matters is better. Everything from that initiative is a plus.

We have also had the benefit—again, through Maggie—of the drinks industry coming along to the APPG. It was interesting to hear from a vast company such as Coca-Cola what it was trying to do and the effect that the measure would have in terms of how it reformulates not only its cans of drink, but its whole way of thinking. This is not just a simple step from one thing to another; it is a huge investment that these companies have made, and we must be mindful of that.

There is another thing that Maggie has understated. I know for a fact that she got—

Sir David Amess (in the Chair): Order. I feel that the point has been reached at which I must say that the hon. Gentleman should refer to other Members by their constituency rather than their first name. I do not wish to be pompous, but I think we have to be firm.

John Mc Nally: I am probably the opposite of pompous, and “Maggie” is easier to say than “Erewash”. Anyway, to be serious, the hon. Member for Erewash (Maggie Throup) managed to get representatives of the drinks industry and the British retail industry along to the meeting, and it was fantastic to hear the exchanges between the audience and the drinks industry. There was a bit of honesty, which was great to hear.

I want now to move on to the second thing that is very close to my heart. One of the most striking things about the various meetings hosted by the APPG on adult and childhood obesity is that they are all extremely well attended—any of the other, side events are also extremely well attended. They have involved a huge variety of people with a background in medical knowledge. All the contributions have been superb and worth listening to, and the rooms are always full, but one thing that I find striking every time I hear it is that there are, I believe, only 12 health visitors in the whole United Kingdom who have any in-depth professional knowledge of how to give advice to a mother and child on childhood obesity and how to deal with it. My wife, who is a recently retired health visitor and master of public health, has become extremely interested in pursuing that.

Liz McInnes: Does the hon. Gentleman know whether there are any health visitors who are capable of giving advice to a father and child, as opposed to a mother and child?

John Mc Nally: That is a great intervention. Being a man, I sometimes miss these things, but my wife has pointed out to me very often that there are—[*Laughter.*] She is never shy and, being a good husband, I always listen to what she has to tell me—I learned early that that saves an awful lot of grief.

The serious point is that there are not enough health visitors across the UK who are sufficiently well trained and educated on this matter. My wife is now preparing for a correspondence course. To reiterate the point, we need to look seriously at this: could we take some of the money from the sugar tax and apportion it towards

training health visitors to a better level and to have a better understanding? That is really the point that I came here to make today.

3.3 pm

Dr Sarah Wollaston (Totnes) (Con): It is a pleasure to follow the hon. Member for Falkirk (John Mc Nally) and my fellow Health Committee member, my hon. Friend the Member for Erewash (Maggie Throup). I am very grateful to my hon. Friend the Member for North Swindon (Justin Tomlinson) for bringing this very important debate to the House.

I realise that this is not a debate about the sugar levy per se, but I would like to state at the outset that I fully support the levy. In fact, if anything, I would like it to be extended to include milk-based sugary drinks. It addresses a very important issue, and it is worth reminding ourselves of the data on health inequality from obesity. Now, in the most disadvantaged areas, 26% of the most deprived children are leaving year 6 not just overweight but obese, with extraordinary long-term consequences for both their mental and physical health, so we should remain focused on what the purpose of the measure is.

Let me also stress that we should not think about tackling obesity as just about sport; it is also about nutrition. We should not lose sight of that in the debate. Reducing calories has to be the mainstay of addressing childhood obesity. That said, we should also have a message that exercise and physical activity matters, whatever one's age and weight, and has extraordinary benefits. I fully support the words of my hon. Friend the Member for North Swindon about how we can incorporate sport as part of the anti-obesity strategy and about the importance of hypothecating the money raised by the sugary drinks levy so that it goes to these types of project and is focused on the most disadvantaged groups.

Julie Elliott (Sunderland Central) (Lab): Does the hon. Lady agree that the 26% in the most deprived areas are probably children from the families who are least able to afford some of the things that have been mentioned, such as the £12.50 a day for sports activities, and that the cost of things should not rule out children who probably need that activity more than others?

Dr Wollaston: I thank the hon. Lady for her intervention. I absolutely agree. It is essential, if we are to address some of the accusations that this is a regressive tax, that we ensure that it becomes progressive in the way the money and the resources are allocated. I think there has been a commitment to that. We can look at how the Government have stated they will spend the money—providing up to £285 million a year to give 25% of secondary schools in the most disadvantaged areas the opportunity to extend their school day, and £10 million of funding to expand breakfast clubs in the most disadvantaged areas. I absolutely agree with the hon. Members who have already commented that that could be extended into holiday periods. I am talking about how we look at nutrition, and expanding nutritional education and, in particular, targeting that on the most disadvantaged areas. We know that Mexico's experience is that those on the lowest incomes end up spending more of their income on products such as sugary drinks, so we must be absolutely clear that the benefit returns

primarily to the most disadvantaged, and of course it is the most disadvantaged areas that have the highest levels of childhood obesity, so I absolutely agree with what the hon. Member for Sunderland Central (Julie Elliott) has said.

This is primarily about school sport and how we hypothecate the money for activities in the most disadvantaged areas, although not just in the most disadvantaged areas. We have already heard the hon. Member for Falkirk pay tribute to Elaine Wyllie, and I add my tribute to her extraordinary achievements. She told me when I met her recently that if directors of public health take this initiative on board, that gives it much a greater impetus. She has looked at where it has been most successfully rolled out, and it is where directors of public health work together with education to push for it and see the benefits. Of course, the benefits are not just for children. The initiative is now being rolled out to families and staff in schools, so there is a whole-community approach to changing attitudes to mobility.

I would also like to make a point about active travel. The all-party parliamentary group on cycling, of which I am a member, held an inquiry in the last Parliament, "Get Britain Cycling". One issue that was very clear from that was that active travel is one of the forms of activity that people are most likely to engage in over the long term. I therefore urge my hon. Friend the Minister to consider how schools can engage with the programme and get children cycling to school and college. My hon. Friend the Member for Erewash pointed out that the cost of a bike can sometimes be a deterrent, but there are many things we can do about rolling out Bikeability to all ages across schools and ensuring that we focus on active travel, because that is the form of activity that people are most likely to sustain throughout their life.

I would also like to pick out the importance of play. I pay tribute to Play Torbay, in my constituency, and the work it is doing. That has been pointed out by the all-party parliamentary group on a fit and healthy childhood. I do not know whether the Minister has had the chance to read its excellent report, which considered how we can use the money effectively. I agree with my hon. Friend the Member for Erewash that evaluation is critical. We need to see what delivers results in the long term, particularly because, if the tax is effective in the way we hope it will be, the revenues raised from it will decrease as a result of behavioural change. We need to ensure that the money available is targeted in the most effective ways.

We should also look at the difference in activity rates between girls and boys. Girls are not as physically active; particularly as they go through the school years, activity levels decline. I urge the Minister to continue to support Sport England's "This Girl Can" programme, which has already been referred to. We need to look across the piece and make sure we engage children at every level in a way that they are most likely to continue to keep active. I have a concern that if we just talk about sport, we risk taking our eye off the ball. Tackling obesity first and foremost has to involve calorie reduction. We must take empty, wasted calories out of children's diets. There are other harms; obesity is not just about sugar levels. The biggest single cause of admission to hospital for primary school children is to remove their rotten teeth. The benefits of reducing sugar in children's diets go beyond tackling obesity.

[Dr Wollaston]

Will the Minister liaise with his colleagues on the rest of the money from the sugary drinks levy that we are raising? As it stands, the Government have indicated that a significant proportion will go towards the academisation programme, but now that there has been a change to the policy objective of forced academisation, I think the sugary drinks levy would command far greater public support if every penny of it was hypothecated to public health measures to support children, particularly at a time when public health grants are being cut and measures to support children who are already obese are being cut back in local authorities. I hope to see even more of the sugary drinks levy being hypothecated to progressive measures to target children who are already obese and to help prevent children from becoming obese in the first place. I support my hon. Friend the Member for North Swindon in saying that sport is a key part of that, and that matters whatever a child's weight and whatever a child's age.

3.12 pm

David Rutley (Macclesfield) (Con): It is a pleasure to serve under your chairmanship, Sir David, and it is an honour to follow my hon. Friend the Member for Totnes (Dr Wollaston), given her experience in these matters. I congratulate my hon. Friend the Member for North Swindon (Justin Tomlinson). He is not from Scotland, I hasten to add, so I doubt he will be joining the Scottish National party any time soon. He is a champion of many causes, and I know he feels particularly strongly about helping young people in many different ways. I am delighted that he secured this debate, which I welcome.

As co-chairman of the all-party group on mountaineering, I have been doing a lot of work over the past few years to try to encourage outdoor recreation. It is vital to encourage more people to get involved in it, so that we improve participation in sports-related activity and help rural tourism. Most importantly, as I have been working on these issues, it has become clear that outdoor recreation is a vital tool to help tackle obesity and physical inactivity, which we have talked about at length today. That is important for adults and, particularly in relation to this debate, young people. Given the powerful debate we had this morning on young people's mental health, it is important to add that outdoor recreation and sports more widely can help with young people's mental wellbeing, which is absolutely key.

Before I go into my suggestions for how the money could be spent, it is worth looking at lessons from other countries. I will focus on Finland for a minute. The Finns feel so strongly about physical activity that it is now deemed, as of 1999, a basic cultural right. I am not sure exactly what that means, but it sounds incredibly important. Their Government have focused on this, as an area for improvement across the board, in a strategy called "On the Move", which has four guidelines. I will not go through all of them, but the first one is interesting: reducing sitting in daily life, across the course of life. Perhaps we should have more debates standing up. The second one is increasing physical activity across the course of life. They have rolled this down to different age groups. The Finnish National Board of Education has got funding and support available to ensure that many schools have clubs, 85% of which are related to physical activity and sports.

We want to improve participation in sports and physical activity, and the Finns have made huge strides in that arena. As my hon. Friend the Member for Totnes said, the issue is also about active travel and being active in the workplace and the classroom.

I welcome the soft drinks levy; it is an opportunity. Some have said the funds are not significant, but hundreds of millions is significant and can make a difference in the lives of young people. Some may dispute how much of the funding will be put in place, but if it is of the order of hundreds of millions, we need to make sure we use it purposefully and invest it wisely on behalf of young people. I am pleased that it will be focused on primary and secondary schools, particularly in areas that are disadvantaged. It will help secondary schools to have more activities and sports available after school.

I am a big supporter of the daily mile, sometimes called the active mile. I have been working with ukactive to promote this further. It has been referred to several times. It is a simple, basic initiative that encourages and inspires children to take 15 minutes out of the day to run, walk or jog. It is as basic as that. It is fun, non-competitive and inclusive. I support competitive sport, but this initiative is something that everybody can engage with, and it helps to encourage more children to get more of their 60 minutes of physical activity a day done in school. Various initiatives are being taken forward by different providers. The daily mile is promoted by the Daily Mile Foundation and the golden mile by Premier Sport. Of course, there is junior parkrun. I was able to do my first park run with my 10-year-old daughter at the end of last year. There is also Marathon Kids, supported by Nike and Kids Run Free.

The daily mile has demonstrated that children who participate are healthier, less overweight and more alert. As the Minister for School Standards will be pleased to hear, they are also more focused on their lessons, so it is a win all round. My daughter is benefiting from her daily mile at Upton Priory School in Macclesfield. I look forward to promoting the initiative much more actively in March when I work with Active Cheshire to encourage more schools in Macclesfield and across east Cheshire to benefit from the initiative.

I would warmly welcome the Minister or one of his colleagues setting up a meeting with ukactive and the providers of the different schemes to work out how we can encourage more schools to get involved and to adopt daily mile or active mile initiatives during 2017. It is a low-cost programme. If we want to leverage the funds that come out of the soft drinks levy efficiently, I cannot think of a better initiative. It would be incredibly easy to leverage and would help hundreds of thousands of children from a wide range of backgrounds. It would be easy to do. My hon. Friend the Member for Erewash (Maggie Throup) raised concerns about some schools not having sufficient space, but let us consider the walking bus or other activities that we can do to encourage kids to walk to school; that is easy to do, and I hope that the Minister takes that on board.

I cannot keep away from active outdoor recreation too long, so I will spend a few moments on that. So often when we talk about sport, it is traditional sport: rugby, football, hockey, netball. If we want to appeal to the widest possible group of kids, we must remember that not every child will be interested in those traditional sports. We have to find other ways of engaging those

kids in physical activity. I know that the SNP spokesperson, the hon. Member for Glasgow North West (Carol Monaghan), has strong views on this; I look forward to hearing from her.

The daily mile is one activity, but “Reconomics”, a very important report taken forward by the Sport and Recreation Alliance, highlights that there is plenty more we can do. There is orienteering, Duke of Edinburgh schemes, walking, cycling, which I know is a passion for the hon. Member for Wythenshawe and Sale East (Mike Kane), and climbing, which is a passion of mine; they all have a lot to offer. If we want to reach—and that is the operative word—the maximum number of kids, we shall have to think more innovatively about how we spend the money. Traditional sports alone will not do that.

I am delighted that the Government have a new sports strategy—perhaps it is not so new; it is a year old. It is a wide strategy that includes a focus on outcomes—physical, health and mental wellbeing outcomes. Its focus is not just on sports; for the first time, at least five of its 20-odd pages focus on outdoor recreation. This is a perfect opportunity for the Department for Education and the Department for Communities and Local Government to work together to ensure that those health and mental wellbeing outcomes are achieved, through funding from the soft drinks levy.

This debate is important and timely. I encourage the Minister to look at those two areas—the daily mile and outdoor recreation—as well as others that have been mentioned, and at linking these things through. It is vital that we work not only with Ministers but with health-related bodies and third-party sector bodies. We want to make sure that there are genuine improvements in the quality of young people’s lives, and this is the opportunity to do it.

3.20 pm

Will Quince (Colchester) (Con): It is a pleasure to serve under your chairmanship, Sir David, and to follow my hon. Friend the Member for Macclesfield (David Rutley) in the debate. I congratulate my hon. Friend the Member for North Swindon (Justin Tomlinson) on obtaining an important debate which is, as my hon. Friend the Member for Macclesfield said, timely, given the subject matter.

My views on the sugary drinks levy are well documented, and this is not the right debate in which to go over them. If anyone wants to, there is an article online, entitled “Ten reasons why the sugar tax is a terrible idea”, setting them out. Today, however, is about the allocation of the money. I have concerns that can be wholly set aside from the debate. Both sides, whether in favour of the tax or against it, are well meaning; the issue is whether it will work, how much money we shall get, and what we shall spend it on. I have an issue with dedicated or hypothecated taxes in principle, because we do not really have an idea, apart from some presumptions and assumptions, about how much money will come in.

I accept all the points made by hon. Members about obesity. I know, from just one Christmas when I have come back to Parliament feeling that my suits have shrunk considerably—that is the excuse I am using—that we have an issue with obesity, and childhood obesity in particular. We must take measures to tackle that, without

question. My worry is that this is an instance of “Something must be done. This is something, so let’s do it.” Parking that worry, however, and accepting that we must address the problem of childhood obesity, I agree with all the points that have been made about sport, including sport in schools, and fantastic initiatives such as the activity camps that my hon. Friend the Member for North Swindon mentioned, as well as the use of school premises out of school hours. They are fantastic ideas. Driving past secondary schools in the evening or at the weekends, one can see that many are being used. However, primary schools are less used. They have beautiful fields, and in some cases astro pitches or multi-use games activity centres, which would be perfect. They sit unused when members of society, and in particular young people, would desperately love to go and kick a ball around or play basketball. There is a huge public health gain to be made from the principle of using the money to fund measures that will reduce obesity and get more children active.

However, if we accept that there can be such a massive public health gain, and that the right thing to do for the health of the nation is to invest the money as I have described, we should be funding it through general taxation. The Chancellor of the Exchequer said when the policy was announced:

“We are going to use the money from this new levy to double the amount of funding we dedicate to sport in every primary school. For secondary schools, we are going to fund longer school days for those that want to offer their pupils a wider range of activities, including extra sport.”—[*Official Report*, 16 March 2016; Vol. 607, c. 964.]

The figure mooted at the time was some £520 million. I want, as does, I believe, every Member of the House, £520 million or thereabouts to be spent on school sports; but we have no way of saying how much of that money will be raised from the sugary drinks levy. That is my fundamental concern. If we are saying that the issue is important and that we should invest in it, and that it will have a massive impact on childhood obesity and public health, we should invest in it. We should not be giving schools and other organisations, such as those mentioned by my hon. Friend the Member for North Swindon, funding that is not sustainable.

We should treat the issue as important, and commit the money to it. I am worried because, on my calculation, reformulation, portion size, illicit sales and such things as cross-border shopping will mean that the figure raised will be more like £200 million to £300 million. That is a considerable shortfall on the amount quoted in the Budget last year. We must ask questions about hypothecated taxes and direct taxes. I would love to ask the Minister what the budget is: what is the expectation, and how much money do we think will come from the sugary drinks levy?

I have two concerns. One is that we shall have to top the levy up from general taxation—and if that is the case I support doing it. It is a worthwhile thing to do, and we should finance it. I am also concerned, as are many people in the food and drink manufacturing industry, that we have just set a figure of £520 million. That is what we need to fund the initiative, and that is what we are going to raise. If we cannot raise it through sugary drinks we shall start looking at other products. Perhaps there is an argument for doing that, and for applying the levy to sugar across the board. I discussed

[Will Quince]

that at some length with my hon. Friend the Member for Totnes (Dr Wollaston). However, we are not there now, and we must be clear about what our ambition is. Perhaps we are thinking about a tax that applies to more products. I take some issue with that in principle. Nevertheless, if that is the direction of travel we must make sure we are clear.

If we are going to raise £520-odd million, I should like to know that it will go into school sports. For all the reasons that have been given by Members of different parties in the debate, that is very important. I congratulate my hon. Friend the Member for North Swindon on obtaining the debate, but I have concerns about whether that money will be pulled through from the soft drinks levy to be spent in schools. I know that the tax is direct and hypothecated so to some extent it is out of the Minister's hands, but perhaps he can give some commitment about how much money there will be to spend on sports in schools and on some of the great initiatives that have been mentioned. That would be helpful and would set minds at rest.

3.27 pm

Carol Monaghan (Glasgow North West) (SNP): I congratulate the hon. Member for North Swindon (Justin Tomlinson) on securing today's debate. After a fortnight spent in overindulgence, this is a particularly timely debate. Of course, part of the over-indulgence of Christmas is fizzy drinks. Like many of those present, I remember that in the past fizzy drinks were an occasional treat—a luxury at Christmas and Easter only. However, now it is fairly commonplace for people to consume a can of Coke or other juice on a daily basis. The average consumption has gone up from 45 litres per person a year to more than 210 litres. That is 22 bags of sugar—fairly horrendous.

The hon. Member for North Swindon opened the debate by presenting some challenging figures. He told us that one in three children would be obese by the time they left school. He talked about the importance of early activity, and I agree that habits formed early have a lifelong impact. I was particularly interested in the sports camps that he talked about. For many parents £12.50 would seem a good deal for childcare; however, as other hon. Members have pointed out, it might also be a barrier for some people. Perhaps we need to be more creative about how we fund such things. Possibly some of the levy could go to providing places for children who would otherwise be unable to go, because of finances. As well as causing obesity, sugary drinks affect teeth. They affect concentration in school and can have a massive impact on how well a child learns and performs in education.

I happened to take my two youngest children to the cinema on Sunday. When we were queuing up there were bucket-like containers of soft drinks and I calculated that one of those containers—not the biggest—would have 12 teaspoons of sugar in it. If any of us saw someone putting that into a cup of tea or coffee, we would be horrified. We are all aware that urgent action has to be taken here. I support the introduction of the soft drinks levy as an extremely sensible first step in tackling the crisis, but I do not believe that it is going far enough.

It is good to see the Chair of the Health Committee, the hon. Member for Totnes (Dr Wollaston), here. Some of the Health Committee's other recommendations were tougher controls on the marketing and advertising of unhealthy food and drink. I believe that would make a big difference to what young people want, or think they want, to eat. Another recommendation was early intervention to offer help to families of children affected by obesity and further research into the most effective interventions. The hon. Lady talked about the importance of nutrition, active travel and active play and how all of those play a role in tackling obesity. The hon. Member for Erewash (Maggie Throup) also shared her expertise from the Health Committee and explained that she was usually against taxes but, in this case, supports the levy because its purpose is to change habits that have been formed. I was pleased to hear her mention the "This Girl Can" campaign. I was a sports coach, as well as a teacher, for many years and was very positive about the benefits for young girls, and teenage girls in particular, of participating in sport.

My hon. Friend the Member for Falkirk (John Mc Nally) talked about the excellent work of the APPG on adult and childhood obesity, and about using the levy to train health visitors and health professionals in educating parents, both male and female, about the importance of nutrition. The hon. Member for Macclesfield (David Rutley) raised Finland's approach to physical activity. It is possible that his suggestion that we spend more time on our feet in this place would greatly shorten proceedings. I know that there is a vote coming up, so I will try to speed up and will come back to the hon. Member for Macclesfield.

Although I have said that I welcome the creation of a soft drinks levy, in isolation it cannot address the levels of obesity that we see. I am disappointed that further restrictions on junk food, as recommended by the Health Committee, have not been developed further. I would like to see that happen—possibly we will see it during this parliament. Banning those adverts would make a big difference.

In Scotland, the obesity crisis is no different. We are committed to addressing Scotland's excess weight—personally, and generally as a nation—and the Scottish Government have undertaken to consult on the development of Scotland's new diet and obesity strategy in 2017. Scotland is already investing in sports facilities and ensuring that PE is provided in schools and that active schools programmes continue. Proposals to increase physical activity using the revenue are indeed welcome, and we welcome any ideas that will help to boost physical activity in schools. In Scotland, we have seen a massive investment in PE and school sports. In 2005 10% of children were doing two hours of physical activity a week; we now have 98% of children in Scotland doing two hours of PE a week, which is a massive improvement.

For me personally the most exciting development, which has been mentioned by almost everybody who has stood up, is the daily mile. It was first developed by St Ninians Primary School in Stirling because the children were too tired after the warm up in PE to do the actual lesson. It takes only 15 minutes and does not require any specialised equipment. In fact, they do not even change into their gym gear—out they go and they do their daily mile. The hon. Member for Erewash talked

about the difficulties with some of the facilities available in schools. My own children do the daily mile and they just do it up and down the tarmac playground. I have said to them, "Is that not particularly boring?" They love it and they talk about being energised and feeling refreshed when they go back into school. Coming back to the points made by the hon. Member for Macclesfield, I am a keen hill walker and love the outdoors, but my children do not always share that enthusiasm and would sometimes rather sit in front of the television. They have been doing the daily mile since August, and it was really interesting over Christmas when we went hill walking—suddenly they were chasing up the hill ahead of me. I could not keep up with them. What a difference a few months of the daily mile has made to their fitness.

The Scottish Government have made a commitment that Scotland will be the first daily mile nation with a roll-out to schools, nurseries, colleges, universities and workplaces. Every school will be offered help and we already have more than 800 primary schools doing the daily mile programme, which is a massive step forward. As to the impact that that has had, St Ninians primary—the instigators—talks about the children thriving on being outdoors and of its national success in cross-country running. It says that the children are sleeping and eating better—parents know straightaway that with a bit of exercise during the day children will go down no problem at night. Children are more focused and ready to learn when they return to classroom, but most important of all, there are no overweight children in primary 1 at St Ninians, which is a massive step forward.

To finish, and not to leave the hon. Member for Colchester (Will Quince) out, he raised concerns about how the sugar tax could be spent and talked about whether, if funding sport was worth doing, it should be done through general taxation. I found myself actually agreeing with some of the sentiments that he raised but, as I said at the start, we have something that is a sensible first step. If we can put some of this levy towards some of the things mentioned today, that would be great. This is a first step in tackling obesity, but it should not be a tax that the Government want to collect. This should be a tax that we aim not to be collecting at all, like the duty on cigarettes or alcohol. We need to be raising our children as fit, active and healthy citizens now and in the future.

3.37 pm

Mike Kane (Wythenshawe and Sale East) (Lab): The hon. Member for Macclesfield (David Rutley) reminded us about the importance of outdoor recreation, so I rise to my feet very tenderly, having just participated with the MP parliamentary football team for 90 minutes over in Chelsea. We played the press lobby. It was a one-all draw, and there was no love lost between the two teams when we came off the pitch.

It is a pleasure, as ever, to serve under your chairmanship, Sir David. I congratulate the hon. Member for North Swindon (Justin Tomlinson) on securing the debate. Why he is not in Government, I do not know. I thought that he did an extraordinarily good job with disability confidence in the last Parliament. I was pleased to support that with my neighbour, my hon. Friend the Member for Stretford and Urmston (Kate Green), in putting on one of the biggest events in the north of England, and I hope that impetus carries on even

though he is no longer at the Department for Work and Pensions. The hon. Member for Erewash (Maggie Throup) has already laid out the facts, and I congratulate her on her chairmanship of the all-party parliamentary group on adult and childhood obesity.

One in five children are overweight or obese before they start primary school, and the figure rises to one in three by the time they leave year 6. That puts children at serious risk of developing serious conditions such as heart and liver disease, cancer, related mental health problems—I think that the hon. Member for Macclesfield is the only Member who has mentioned mental health today—and diabetes.

Let me make an observation about health in my constituency, where I have the world-class Wythenshawe hospital, run by the University Hospital of South Manchester NHS Foundation Trust. Its outcomes are unbelievable, but I say to consultants that my constituency has one of the worst levels of public health outcomes in England and Wales, and what we are really doing is triage in the trenches. My population is ravaged by hypertension—I am looking to the doctors in the Chamber to help me out here—chronic obstructive pulmonary disease and, in particular, type 2 diabetes, which is having all sorts of impacts on NHS costs—somebody has already pointed out the £6 billion cost to the NHS.

I am starting schemes in all those three areas and, as the hon. Member for North Swindon said, using civil society as best as I can to tackle them. With the British Heart Foundation's work on hypertension, Diabetes UK's diabetes groups and the British Lung Foundation's Breathe Easy campaign, we know that we can keep people out of our A&Es, which is a huge issue this week, whichever side of the political fence hon. Members are on. People can self-help and self-medicate, which is important because by the time they go to A&E or to their doctor or health professional, it is almost too late.

I concur with what was said by my hon. Friend the Member for Sunderland Central (Julie Elliott) and by the hon. Member for Totnes (Dr Wollaston), who chairs the Health Committee: some areas do not have such a strong civil society and they need a leg-up from Government through the hypothecation of taxes. We have seen a link between the scale of poverty and obesity in children, in particular. The Government recognise that but have taken away the targets along with the unit that looks at child poverty, which is rocketing, and not just under this Government—it was going up previously because of the economic and financial crisis.

In 2016 the Government introduced a new levy on soft drinks through the sugar tax. In England the new levy revenue will be invested in programmes to support physical activity and balanced diets in school-aged children. I want to talk for a moment from my personal experience as a primary school teacher for 10 years. My right hon. Friend the Member for Birkenhead (Frank Field), who is not currently in his place, pointed out that children go to school for only 40 weeks a year. It is important for politicians to remember that, because I used to get frustrated at this place when I was a teacher in the classroom. We all think that we can change society by changing our schools, but it is only a small, if important, bit of how we change society.

I used to eat with the children before and after the Jamie Oliver meals came in. I patrolled the free school meals kids in particular, not because I was the sugar

[Mike Kane]

police—although, we did have very firm policies in my 500-place primary school about what they could have in those packages—but because I knew what the afternoon would be like if they had had a can of Coke, a load of chocolate and a packet of crisps. It is almost impossible to get really extraordinary teaching and learning going on with poor diets. Everybody in the Chamber has made the link between good food and good mental health in children.

There is a clear link between sugar intake and childhood obesity, as illustrated by the Scientific Advisory Committee on Nutrition's 2015 report on carbohydrates and health. With 30% of the sugar in children's diets coming from sugary drinks—the point has been made that children are consuming a bathtub of these drinks annually—action is clearly needed. The levy is expected to raise more than £500 million in the first year. It is a good policy. I will come back to why I disagree with the hon. Member for Colchester (Will Quince) in a second, but I thought that the hon. Member for Falkirk (John Mc Nally) articulated well why it is a good policy and why we should support it. The amount raised is likely to fall over time as manufacturers remove sugar from their products and the consumption of sugary drinks falls.

I disagree with the hon. Member for Colchester because he has stated that this is a nanny state-type tax, but what we now have, particularly with school budgets, which I shall come to later, is a postcode lottery. For example, look at what Britvic is already doing to avoid the sugar tax. It is changing its behaviour and remodelling the formula so that it does not pay the tax. Surely that is a good thing. Surely that is how Governments should intervene to make the world a better place, particularly for children.

Will Quince: Will the hon. Gentleman give way?

Mike Kane: I will, because I have attacked the hon. Gentleman twice now in this speech.

Will Quince: Not at all. I accept that point, but I think that the hon. Gentleman has reiterated what I was saying. We all accept that if the industry reacts and reformulates products, that will be a great thing. However, if it does so and takes the action we know it is taking over a shorter period of time, rather than a longer period, that will mean we have less money ultimately to spend on this programme.

Mike Kane: But over the longer term people will hopefully be consuming less sugar, which I think is the key objective. However, the hon. Gentleman is right; reformulation not only will reduce the tax take and therefore be a measure of the success of Government policy—we need measures relating to public policy—but will have an impact on reducing consumption, which is just as important. He also pointed out that it is important that the impact is comprehensively evaluated, so that it can be refined and adjusted continually to keep getting public health gains.

Let us move on to schools and sport, where I have a few things to say to the Minister. Doubling the PE and sport premium fund to £320 million a year from 2017 is good news and shows a commitment from the Government that this is important. The premium has shown that it

can enhance the quality of PE teaching and increase pupil engagement and participation in sport. Continued investment in sport was also highlighted by school leaders as the most important factor in maintaining quality PE provision in a Youth Sport Trust survey published last year.

I congratulate the hon. Member for Glasgow North West (Carol Monaghan) on what she said about teachers. This is not just about civil society. Tens of thousands of selfless teachers give up their time after work to run such clubs—during a decade of primary school teaching, I ran the football club and the cross-country club—and all the other clubs that are part of what is expected of schools but are not in the job description. It is right that we praise the teachers up and down the land who do that.

However, as essential as all these things are, a legacy for school sport is about looking beyond primary-age provision and competitive sport initiatives. Everyone has talked about the daily mile, outdoor recreation, walking to school and our physical environment. Increasing the number of pupils of all ages who are participating in school sport—competitive or not—across all phases of education and the amount of time that they spend doing so should be fundamental to a comprehensive strategy, yet the Government have gone backwards on the issue.

Take, for example, what my hon. Friend the Member for Heywood and Middleton (Liz McInnes) said about the previous coalition Government's decision to remove £162 million of funding from school sport partnerships. Those partnerships were terrific—there is no doubt about it. The Government are embarking on breaking up our estate by privatising and nationalising it, and there are a spread of school campuses across the country. What the partnerships did was link combinations of local primaries to their secondary school, which usually had the expertise, resource and field capacity to do really joined-up work and get a system going where those clusters could really begin to make a difference.

When the money went, there was a negative impact, as opportunities for young people to participate in more school sport decreased, as the Education Committee noted. As I said to the hon. Member for Colchester, that decision has created a postcode lottery relating to good provision, because we had a national system but we now have local systems in which local schools are trying to do their best to keep up good practice. It has been particularly evident in secondary schools that do not have ring-fenced budgets for sport.

We also know that, unsurprisingly, since this Government removed in 2010 the requirement for pupils to have at least two hours of sport a week, the number of pupils taking part in sport has collapsed. From personal experience, there is an over-expectation of sport in schools. A teacher who is timetabling two hours, as I used to have to do, must think about their relevance as a classroom teacher. Sometimes we in this place do not think about that. It can take 10 minutes to get the children changed and five minutes to get them to the playground or field—if the school is lucky enough to have one—or to the hall. The curriculum focuses mainly not on physical activity but on skills, and then the children need to be warmed down, get changed and go back. I saw teachers selflessly giving up their play times and breaks so that the children could get the best hour possible.

The situation will be exacerbated by school budgets, which will be cut by £3 billion between now and 2020—an 8% cut in real terms. Schools are not the panacea for the policy. Despite the fairer funding formula, they will be reducing staff in all areas of our country in the months and years to come. I have had the indication that I should leave it there.

3.51 pm

The Minister for School Standards (Mr Nick Gibb): It is a pleasure to serve under your chairmanship, Sir David. I congratulate my hon. Friend the Member for North Swindon (Justin Tomlinson) on securing this important debate.

Childhood obesity is a national problem. Data from Public Health England's national child measurement programme shows that, in England, a third of children are obese or overweight by the time they leave primary school. As my hon. Friend so ably said, we run the risk of creating new social norms in which obesity is the new normal. Sugar consumption is a major factor in childhood obesity, and sugar-sweetened soft drinks are now one of the biggest sources of dietary sugar for children and teenagers. A single 330 ml can of cola can contain nine teaspoons of sugar—more than a child's daily recommended intake of added sugar—often without any other intrinsic nutritional value. The introduction of the soft drinks industry levy is a clear indication of this Government's commitment to addressing this vital issue.

Reducing sugar consumption alone, though, is not enough. It is also important that all children have the opportunity to engage in sport and physical activity. This debate is therefore timely, as it allows me the opportunity to set out our plan further to improve physical education and school sport using revenue generated by the levy. The Government understand that high-quality PE is a route to instilling a life with health, wellbeing and exercise at its core. That is why PE is compulsory at all four key stages in the national curriculum and why, through the primary PE and sport premium, we have invested more than £600 million since 2013 in ring-fenced funding to primary schools to improve PE and sport.

We know that that funding is making a big difference. Independent research by NatCen has found that since the introduction of the primary PE and sport premium, 87% of schools have reported that the quality of PE has increased, and the vast majority of schools have introduced new sports and extracurricular activities. I join the hon. Member for Wythenshawe and Sale East (Mike Kane) in paying tribute to those teachers who go the extra mile, almost literally, to provide extra sporting activities.

The NatCen research also shows that 84% of schools also reported an increase in pupil engagement in PE during curricular time and in participation in extracurricular activities. The number of qualified specialist PE teachers in primary schools has increased by 50%, covering almost half of all schools. My hon. Friend the Member for North Swindon will undoubtedly be aware that primary schools in Wiltshire received around £1.8 million in additional funding in 2016-17, and that primary schools in Swindon received an additional £611,400.

We know that there is more to do. The soft drinks industry levy will be used to double the primary PE and sport premium to £320 million a year from September 2017. The funding will continue to be ring-fenced

to assist schools in developing PE and extracurricular sport activities and to make long-term improvements that will benefit pupils joining the school in future years. I can assure my hon. Friend the Member for Colchester (Will Quince) that that funding is committed to 2020 and will help drive up the quality and breadth of PE and sport provision.

The increased funding will allow schools to build on the progress made through the existing premium. It will enable them to hire qualified sports coaches to work with teachers, provide existing staff with training or resources and introduce new sports and activities that encourage more pupils to be healthy and active. My hon. Friend the Member for North Swindon told us about the PE teacher Mark Draycott and his excellent initiative, Draycott sports camp, established in 2013, which operates out of Oakhurst primary school, where Mr Draycott is also a teacher.

The idea behind the camp was to create more opportunities for primary-age children of all abilities to participate in sport and physical activity during the school holidays. The programme offers extracurricular clubs after school and during the holidays. I commend my hon. Friend on championing that great work and taking the time to visit the camp last year, where I am reliably informed that he acquitted himself creditably in a netball shoot-out and a game of lacrosse. My hon. Friend pointed to the importance to schools of recruiting qualified PE teachers such as Mark Draycott. The Department continues to recruit well in physical education. In 2015-16, we recruited 1,235 new teacher trainers, against a target of 1,227.

My hon. Friends the Members for Erewash (Maggie Throup), for Totnes (Dr Wollaston) and for Macclesfield (David Rutley), as well as the hon. Member for Falkirk (John Mc Nally) and others, praised the daily mile initiative and its success in ensuring that children exercise every day. It is the brainchild of Elaine Wyllie, whom I look forward to meeting in February. My hon. Friend the Member for Totnes emphasised the importance of active travel and encouraging children to cycle to school where it is safe to do so, and I agree.

My hon. Friend the Member for Macclesfield pointed to the importance of being active in the workplace. Perhaps we as MPs should sit less and stand more. We run for office, stand for election and take our seats, but of the three, the most important is obviously running for office. He asked for a Minister to meet ukactive. The Minister for Vulnerable Children and Families, my hon. Friend the Member for Crewe and Nantwich (Edward Timpson) or I would be delighted to do so.

A positive experience of sport at a young age can create a lifelong love of sport and physical participation. That is why we are focusing on primary-age children, as we want to help them develop healthy habits and a love of sport at an early age, as my hon. Friend the Member for Erewash emphasised. Secondary schools have specialist PE teachers already on the staff and can access programmes such as Sportivate and satellite clubs.

My hon. Friend the Member for Totnes raised a concern about children from disadvantaged backgrounds. We want all pupils to be healthy and active, and we know that many schools are already using their sport premium funding to target disadvantaged pupils, who are traditionally the least active. In many schools, that will include providing additional support to children

[Mr Nick Gibb]

who might not be able to attend after-school clubs and activities, but we know that there is more to be done, which is why we are doubling the funding from September 2017.

We have also announced that £10 million a year in revenue from the soft drinks levy will fund the expansion of healthy breakfast clubs in up to 1,600 schools from September 2017 to 2020. The programme will ensure that more children benefit from a healthy start to their school day and is a fitting accompaniment to the primary PE and sport premium.

We are anxious to ensure that schools continue to use the funding wisely and have a number of accountability measures in place, as has been mentioned in this debate. Schools are held accountable for how they spend their funding through Ofsted whole-school inspections and a requirement to report their spending plans and the impact of that spending online. Furthermore, we have updated grant conditions and guidance and continue to work with our partners to disseminate best practice and examples of innovative uses of funding to schools, ensuring that they are best placed when the doubling of the premium comes into effect.

The Government aim to reduce England's rate of childhood obesity significantly within the next 10 years. I firmly believe that a cross-governmental approach is key to success. In addition to the soft drinks industry levy, two landmark strategies have been published in the last 12 months: the Government's sports strategy and the childhood obesity plan. We continue to work closely with a range of other Departments to deliver those strategies.

Motion lapsed (Standing Order No. 10(6)).

St Michael's Gate, Peterborough

[MARK PRITCHARD *in the Chair*]

4 pm

Mr Stewart Jackson (Peterborough) (Con): I beg to move,

That this House has considered housing benefit and tenancies at St Michael's Gate, Peterborough.

It is a pleasure to serve under your chairmanship, Mr Pritchard—not for the first time, I think. I thank the Speaker for giving me the opportunity to share with the House this issue, which relates to housing benefit and in particular to a loophole that has given rise to a very unfortunate and regrettable situation in my constituency. The BBC's "Look East" programme has covered the case, and my local newspaper, the *Peterborough Telegraph*, and its parent company, Johnston Press, have launched a campaign to highlight the loopholes in housing benefit regulations in respect of St Michael's Gate and other areas.

We are talking about a pleasant residential area of 74 flats and houses in the Parnwell area of Peterborough, which I know well, not least because my parents live very close to it. The site's owner—Stef & Philips, a residential estate agent based in North London—has decided to invoke section 21 of the Housing Act 1988 to obtain vacant possession, effectively evicting and ejecting the families who live there. Earlier today, an hon. Member said to me "Isn't this rather a narrow, niche subject?" I beg to differ; I believe that it goes to the heart of what the Prime Minister meant when she spoke about people just managing.

These are decent people, doing their best on modest incomes, who for whatever reason have not been able to afford to buy a property so have rented. Many of them have assured shorthold tenancies of six or 12 months. Frankly, a calamity has befallen them. They have been thrown out of their homes, which some of them have lived in for many years. They include families, young people, older people and children. Their situation goes to the heart of what is moral and what is right, and it is important that I bring it to the Government's attention.

I would be remiss not to thank Councillor Wayne Fitzgerald, the deputy leader of Peterborough City Council. Despite the fact that the council has received considerable negative publicity in this case, he was courageous enough to appear with me at a public meeting in October and face the wrath of residents and local people who, naturally, are very upset.

Stef & Philips has used a special company vehicle known as Paul Simon Magic Homes Investments Ltd in order effectively to evict these people. In simple terms, it has evicted long-standing tenants, who have paid their way, to house homeless people to whom Peterborough City Council has a statutory duty. We are in a crazy Alice in Wonderland world; we have created homeless people in order to house homeless people. You can understand why a lot of my constituents are very angry about that, Mr Pritchard.

Since 4 December, the vacant possession proceedings have been pursued. We are talking about 68 assured shorthold tenancies, two assured tenancies—the holders of which are fortunate enough to have legal protection,

so they will not be evicted—and four vacant properties. The unscrupulous landlord is evicting private tenants in order to turn some of the properties into bedsits. It tried to increase the number of properties from 74 to 98, but that was refused by Peterborough City Council. Nevertheless, it has increased the number to 88 in order to get more housing benefit, paid for by the taxpayer, having inflated rents and charged a management fee by using a loophole in the housing benefit regulations.

Peterborough City Council has been placed in a very difficult position. It has had to discharge its statutory responsibility to homeless people with local links—I have checked that they have those links—who have hitherto been housed in local hotels, particularly the Travelodge. The council has had to do that under section 188 of the Housing Act 1996, as amended by the Homelessness Act 2002, and it has had to divert money for that purpose on a three-year contract with a two-year break clause, which will pull in the thick end of £3 million over those three years.

What Stef & Philips has done is legal, but frankly I believe that it is morally dubious and unethical and so is the company's business model. Such companies masquerade as confederates of local authorities, seeking to ameliorate the problems of homelessness and provide social housing solutions; far from it, they are part of the problem. In fact, in the rather self-serving statement that it belatedly issued to local media on 21 November, the company made a virtue of the fact that it is upgrading these residential units. But of course it owns them, having purchased them, so it is not doing it out of the goodness of its heart for benign, charitable reasons; it is doing it to support its own investment in its particularly dubious business model.

As I say, the company has sought to subdivide the properties. It has created a situation in which, out of the families living in the 74 units, 17 have already presented as homeless, 12 have been placed in the position of declaring themselves formally homeless and nine have been accepted as homeless by Peterborough City Council. Those were the figures on 4 December; they may be different now.

The situation is not unique. Stef & Philips recently tried the same *modus operandi* in Luton. Thanks to "Look East", which was able to look into the company's activities, Luton Borough Council said that it was not interested. The council said that it was not willing to see the taxpayer's pound gouged and the taxpayer fleeced, and it sent Stef & Philips away with a flea in its ear. Unfortunately, Stef & Philips re-let those units, which are in Milliners Court in Luton, to Barnet Council. So it is not as if Stef & Philips has stepped in to assist Peterborough City Council out of the goodness of its heart; it has seen a niche business model, unethical as it is, and has taken action accordingly.

At this stage, it is appropriate to step back and try to understand why we have been placed in this position. The Minister may wish to dwell on that in his reply; his officials may also want to look into the matter, and perhaps the Minister will write to me in due course if he is not able to answer my questions now. At some stage, St Michael's Gate was owned by what we now call a registered social landlord—a housing association. It was effectively social housing, and it was a very nice, pleasant settled estate in Parnwell, but at some time—we do not know when—it passed from the public sector

into the ownership of a company called Akelius and then to Stef & Philips, which pursued the actions that I have mentioned.

The reason why that is important is that it would have needed the sign-off—the sanction—of the housing regulator at the time, whether that was the Housing Corporation or the Homes and Communities Agency. We are not talking about a couple of bedsits or flats; we are talking about a significantly large housing estate. Why that change was allowed to happen is an important issue, and the Minister might want to ponder it.

There was also a failure of intelligence by Peterborough City Council, in that it allowed this set of very good quality social housing units to pass into private hands. I know for a fact that, quite rightly, the council is actively pursuing the option of establishing a joint venture housing company with the largest residential social landlord in the area, which is Cross Keys Homes, a stock transfer company of some 13 years' standing in Peterborough.

The council has £13.6 million of right-to-buy capital receipts. Why was it not possible for it to use some of that money to purchase or lease the property at St Michael's Gate, so as to discharge its homelessness obligations under the appropriate legislation? That did not happen, but it is only fair to observe also that the council, in response to the uproar caused by the St Michael's Gate debacle, is now accessing Government money, as a result of bids to the homelessness prevention strategy and migration funding, to deal with homelessness specifically.

The other issue is the increase in homelessness. Despite what I think are sometimes the ill-judged comments of the city council, which blames the Government's welfare reforms and specifically universal credit for the spike in homelessness, there is no evidence to suggest that those reforms are the reason why we have suddenly been overwhelmed by an upsurge in the numbers of homeless people in the Peterborough area. There are other reasons for that increase.

One is the large scale of immigration. Incidentally, that is an issue that the Leader of the Opposition, the right hon. Member for Islington North (Jeremy Corbyn), is discussing in my constituency, at Paston Farm Centre in Peterborough, as we speak. That large scale of immigration has had the effect of saturating the private rental market in Peterborough and it has caused some difficulty. Also, the introduction of a selective licensing scheme in the city has meant that many of the more dubious landlords have opted out of the private rented market, which has obviously put pressure on the number of properties that are available. Of course, we have also seen a national phenomenon, which is that people are finding it increasingly difficult to make ends meet, and therefore they do not pay their rent and are being evicted. All these things have come together, but neither the benefit cap nor universal credit have been an issue.

There has been a failure of intelligence and a failure of governance, and I regret that I was given erroneous information by the leader of the council, Councillor John Holdich. He is an honourable man, and I believe that he genuinely made an error, but he told me that if Peterborough had not signed this three-year contract then Luton would most assuredly have done so. As I say, that proved to be an erroneous statement, because Luton subsequently denied that it was true. Nevertheless,

[Mr Stewart Jackson]

it is certainly the case that, given the modus operandi of Stef & Philips, the company would have touted round these properties to other local authorities that needed to discharge their homelessness duties, whether that was Stevenage, Harlow, Milton Keynes, etc.

There was a call-in of this case on 19 October last year. However, the councillors present at that call-in meeting were placed in a very difficult position, because this deal was a fait accompli. It had been made and the council had no option but to accept it, because if the council had pulled out of the scheme with Stef & Philips, it would not have been able to house its homeless people in the Travelodges, and the company would have touted the properties around and taken other people from outside Peterborough.

I will finish by asking the Minister to examine the loophole in the housing benefit regulations, because effectively it means that instead of 74 families having assured shorthold tenancies that generated an income of £659,000 a year, Stef & Philips—by treating each unit as a temporary overnight homelessness unit, with the £60 per week management fee, inflated rents and the local housing allowance subsidy level—is able to bring in £966,000 of taxpayers' money a year. In short, the key issue is the disparity in the housing benefit levels that are paid between rented accommodation in the private sector and what is achievable when the accommodation is utilised by the local authority for temporary accommodation.

As I say, I ask the Minister to review those regulations and particularly the management fee, because this site is not a foyer for young people or a housing association property for people with special educational needs or mental health problems. To all intents and purposes, it is de facto mainstream normal housing, albeit that it is temporary and is now being used to accommodate homeless people.

I would also like the Minister to work with the Local Government Association to tackle the issue that is growing across our country of local authorities shuttling round the most vulnerable homeless people to different local authority areas, because they are unwilling or unable to house those people themselves. I know that Lord Porter of Spalding, who is the chairman of the LGA, takes this issue very seriously.

There is also a lack of accountability. It should not be the case that we have to pursue freedom of information requests to obtain information from Stef & Philips, which is in receipt of large amounts of public money, and local authorities need to work together to make sure that they develop and put in place protocols to prevent this situation from happening again.

Peterborough City Council is between a rock and a hard place. It is not solely at fault and in fairness—although I hate to say it—neither is Stef & Philips. I feel very bad about what has happened. I apologise to my constituents that I could not do more to help them and to a certain extent I feel that the system and I have let them down. The current situation is unfair and morally repugnant, and I hope that this debate and the Minister's response to it will ensure that, to all intents and purposes, decent people are not treated like this again and this situation will not be repeated in the future.

4.17 pm

The Minister for Housing and Planning (Gavin Barwell):

It is a pleasure to serve under your chairmanship, Mr Pritchard, for what I believe is the first time.

I would like to start my response by praising my hon. Friend the Member for Peterborough (Mr Jackson) for raising this issue in Westminster Hall today. It is not the first time that he has raised it with me or with my Department; I believe he presented a petition to the House and I have just signed off our response to that petition. As all Members of the House will know, he is a highly diligent constituency MP, and it does him great credit that he has raised this particular issue today. I also join him in congratulating his local newspaper, the *Peterborough Telegraph*, on the interest that it has taken in this issue.

As my hon. Friend said, and as I understand it, nearly all the current tenants at St Michael's Gate hold assured shorthold tenancies under the Housing Act 1988. That gives them the right to live in the property as their home and to get repairs done, and they cannot be made to leave within the first six months of the tenancy. However, the legislation also enables a landlord to regain possession at or beyond the end of that six-month term, with two months' notice.

Before assured shorthold tenancies were introduced by the Housing Act 1988, the private rental market in this country was in decline. Regulated rents and lifetime tenancies meant that being a landlord was simply not commercially viable for many property owners. Since the law was changed in 1988, the private rented sector in this country has grown steadily, from just over 9% of the market at that time to 19% today. It now fulfils a major role in providing housing to people in Britain. The sector is not without its problems, but it is worth saying that both the quality of accommodation in the private rented sector and the satisfaction of the people living in that accommodation have increased over time.

There are certainly problems, with which my Department continues to grapple, but overall that story of deregulation has been a success and has allowed more people to access accommodation in the private rented sector. The difficulty here is that although we know people want the stability of a secure home, the Government's view is that more restrictive legislation of the kind that would have prevented this company from doing what it did would mean fewer homes available to rent, which would not help tenants.

My hon. Friend posed the right question in his speech. What happened may well be legal, and we may well have to accept that if we want a thriving rental sector we must allow landlords to ask people to leave a tenancy, with notice. The question my hon. Friend posed is whether the behaviour of the company in this situation is moral or right. I very much share his concern, and I think that anyone listening to this debate or reading the transcript will ask that same question about what has happened, which has, as my hon. Friend said, a sort of Alice in Wonderland quality to it: a group of people essentially being told that they need to leave their homes, resulting in many of them being made homeless, to provide housing for the homeless. That seems to be a highly irrational way for a company and a city council to behave.

Accepting that if we want a thriving rental market in this country we must accept the ability of landlords to regain possession of their property, what can the Government do to try to make the situation—

4.21 pm

Sitting suspended for Divisions in the House.

4.43 pm

On resuming—

Gavin Barwell: Before I was so rudely interrupted, I was trying to address the concern my hon. Friend raised. If we accept that to have a thriving rental market in this country, we need to allow landlords to regain possession of their properties, what can we do to make the kind of situation that his constituents have experienced far less likely? The key answer is to increase the supply of housing. Many of the issues that he referred to—I will answer some of the detailed questions in a second—come back to the point that for probably 30 or 40 years, we in England have not been building enough homes, so the demand for housing far exceeds the supply.

Those constituents who had to approach the council and seek protection under homelessness legislation are an example of a wider problem. Historically, the main causes of statutory homelessness—when people go to their council and ask for help with rehousing—have tended to be relationship breakdown and those kinds of issues. The most common cause of statutory homelessness in this country now is the ending of a private rental sector tenancy. My hon. Friend describes a particularly strange and indefensible situation, because of the role that the company played in provoking it, but it is a fairly common one in a general sense. People lose a private rental sector tenancy and find themselves unable to find alternative accommodation in their area, and therefore have to present themselves to their local authority.

To try to alleviate that problem, the Government are doing two things. In addition to supporting the largest affordable housing programme by any Government since the 1970s, we are investing very large sums of public money in trying to help local authorities prevent homelessness and support those affected by it; we are investing £149 million in central Government programmes and giving £315 million over the course of this Parliament to local authorities.

The House is also playing a part, and we should put that on the record. The private Member's Bill promoted by my hon. Friend the Member for Harrow East (Bob Blackman), which is currently before the House, does two critical things. First, it looks to widen the safety net. My hon. Friend the Member for Peterborough did not touch on this, but it is possible that some of his constituents find themselves outside the safety net; single people who are not vulnerable in any way are not currently covered. The private Member's Bill would widen that safety net. It would also get councils to intervene much earlier to prevent people becoming homeless, rather than just dealing with the problem when it occurs.

The second main thing the Government are trying to do is increase the supply of housing. The fundamental solution to so many of the housing problems we face in this country is to build more homes—in this particular instance, more homes for rent—to offer people greater security than is often the case currently, without forcing

landlords to offer that security. In the forthcoming housing White Paper, my hon. Friend will see a lot of measures on that. I will mention two briefly.

First, the Government are very keen on build to rent. In this country, most of our private rental sector properties are owned by individual landlords, many of whom are responsible for only one property. We are keen to see institutional investment in building new private rental sector homes. That brings not only a degree of professional management and a very welcome new supply, but the potential to offer longer assured shorthold tenancies, because we are not talking about individuals who may need to access their assets six, 12 or 18 months down the line, but major pension funds and the like who are interested in a long-term, secure return on their investment. That would address some of the concerns of his constituents. Secondly, the Department is also promoting a model tenancy agreement, which encourages landlords to offer longer tenancies and therefore greater protection to people.

I want to address three questions that my hon. Friend asked on behalf of his constituents. He told us that the properties in question had at some point been what we would call social housing; they had been owned by a registered provider. He asked why that housing had been allowed to pass into the private sector. I cannot answer that question for him today—my briefing was unclear about the history. My officials believe that, if it was owned by a housing association, that was some time in the past. He is right to say that if that was the case, the transfer would have to have been authorised by the housing regulator. I am very happy to see if we can find out, without disproportionate effort, when that occurred and what the rationale was for approving that decision. That is clearly something that his constituents would want to know the answer to. It is a highly relevant question.

My hon. Friend raised two other questions to which I think he deserves an answer. He talked about the management fee, and the distortion whereby somebody can earn more money renting out accommodation to local authorities looking to place homeless families than renting it out as normal, general-purpose, private rented accommodation. The management fee is not paid directly to the landlord—it is paid to the local authority—but my hon. Friend is right that, because many local authorities are so short of emergency accommodation to place homeless households in, the rates that landlords charge them are often of that kind. The long-term solution to that is to get more housing in our country, so that local authorities are in a much stronger position in the market when trying to secure accommodation and do not have to pay such high fees.

Given the way that the management fee, which is managed by the Department for Work and Pensions, works at the moment, it may reassure my hon. Friend somewhat to hear that the Government are replacing it, and will move to a grant to local authorities, which will be administered by my Department. The overall pot of funding for that grant will be £617 million. That will give local authorities much more flexibility in how the money can be used, and may prevent the appalling situation that he has reported today from recurring.

My hon. Friend's final point is very difficult. It is an issue that many of my predecessors have had to grapple with: local authorities are placing families that they

[Gavin Barwell]

have accepted as statutorily homeless outside their area. Many hon. Members have raised that concern with me in the nearly six months that I have been Minister with responsibility for housing. Let me reassure him at least partially. Local authorities have to secure accommodation within their own borough as far as is reasonably practicable. We have changed the law so that councils have to take into account the impact that a change in location would have on a household, including possible disruption to things such as employment and schooling.

In some circumstances, accommodation in another borough may be more suitable for a household. I cannot say to my hon. Friend that that can never happen, but I can assure him that we have made it more difficult. Again—this is probably the right moment to draw my remarks to a close—the long-term solution to the problem of councils placing families in different boroughs is to end the housing crisis in this country. We must ensure that we build more homes and build up our housing supply, so that each local authority has the ability to place the families it accepts within the area in which they live. Clearly, in most cases, that is the right thing for those families, because most people have friends, families and personal relations, whom they risk losing if they are placed at a distance. I thank my hon. Friend for raising this very disturbing case.

Question put and agreed to.

Stormont House Agreement: Implementation

4.52 pm

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): I beg to move,

That this House has considered implementation of the Stormont House Agreement.

It is a pleasure to serve under your chairmanship, Mr Pritchard. I know you have taken an interest in these matters over the years. I welcome colleagues who have taken time out to attend the debate, including the Minister. I look forward to his response.

Although policing and justice issues are now devolved to the Northern Ireland Assembly and Executive—at least for the next few weeks—the legacy of our troubled past remains a matter for this Parliament and the Government of the United Kingdom to deal with. Let me remind colleagues that, during what we call the troubles in Northern Ireland, there were more than 3,500 deaths, of which more than 2,000—60%—were murders carried out by republican paramilitaries, mainly the Provisional IRA. More than 1,000 murders were carried out by loyalist paramilitaries, amounting to 30% of the overall total. British and Irish state forces were responsible for 10% of deaths during the troubles, almost all of which occurred as a result of entirely lawful actions, where police officers and soldiers acted to safeguard life and property. Let me restate that for the record: the paramilitary terrorists were responsible for some 90% of the deaths in the troubles, and state forces on both sides of the border for 10%. I want hon. Members to hold that statistic—that fact—in their minds during this debate. I apologise to colleagues, because this is a very complex issue and I need to take some time to go through the background and the issues we are still dealing with in Northern Ireland.

There are some 3,000 unsolved murders in Northern Ireland linked to our troubled past. What a terrible legacy that is—one of pain, loss and in many cases a deep sense of injustice. It is a well-accepted principle that in a democracy no one should be above the law and yet, as will become clear from my remarks, there appears to be one rule for those who have served our country and the Crown and another for those whose objective was to destroy it. Unfortunately, those legacy issues were not adequately addressed, never mind resolved, in the Belfast agreement on Good Friday 1998.

Instead, in that agreement, the Government of the day agreed to release early from prison those prisoners sentenced for offences linked to the troubles in Northern Ireland and who were members of a terrorist organisation on ceasefire, in support of the peace process. In effect, the terrorists who had been found guilty of crimes including murder were released from prison after serving only two years in jail. For many of them, that was the limit. They included, for example, the notorious Shankill bomber, from the constituency of my right hon. Friend the Member for Belfast North (Mr Dodds). Sean Kelly was convicted by the courts in Northern Ireland of the murder of nine innocent people in a bomb explosion on Shankill Road in Belfast. He was sentenced to nine life terms in prison, but under the terms of the Belfast agreement he was released early, having served less than one year for each life that he destroyed.

In addition, and beyond the terms of the agreement, in September 2000 the then Secretary of State, Peter Mandelson, announced that the Government would no longer seek the extradition of Provisional IRA prisoners who had escaped from prison, including several who escaped from the Maze prison in my constituency in 1983. They were allowed to return home; they were no longer sought to be brought back and put in prison, where frankly they belonged. They included convicted terrorist Dermot Finucane—the brother of the late Pat Finucane, about whom we have heard a lot in the past—who was the former head of intelligence and the head of southern command of the Provisional IRA. He was a very senior figure in the Provisional IRA, and he escaped from prison and was allowed to return home. Kevin Barry Artt, who was convicted of the murder of the deputy governor of the Maze prison, escaped and yet was allowed to return home without having to go back to prison. I could go on with the list of the concessions that have been made to Sinn Féin and the IRA over the years in relation to those who were convicted of, or are alleged to have committed, very serious crimes.

In 2001, the then Labour Government sought to extend that further to introduce an amnesty for all members of terrorist organisations on ceasefire. On 4 May 2001, the then Secretary of State for Northern Ireland, Dr John Reid, wrote to the Prime Minister, Tony Blair, and said:

“In the Hillsborough statement of 8 March we accepted publicly for the first time that it would be a natural development of the Early Release Scheme to discontinue the prosecution of pre-Good Friday Agreement offences allegedly committed by supporters of organisations now on ceasefire.”

Crucially, Dr Reid went on to say that the proposals, which would be enacted into legislation,

“should exclude members of the security forces from the amnesty arrangements”.

In other words, a terrorist who had committed crimes, including murder, before the 1998 agreement would be granted an amnesty, but a soldier or a police officer alleged to have committed an offence would not be the beneficiary of such an amnesty. Thankfully, through parliamentary opposition, that reprehensible scheme was defeated and the secret deal that had been done was thwarted.

But it did not stop there. Having been frustrated in that attempt to bring in an amnesty for terrorists, the Government of the day did another secret deal, issuing letters to paramilitary prisoners and suspects wanted for questioning about terrorist offences to say, “You may now return home. The police will no longer question or arrest you in connection with offences committed before 1998.” We did not know of the existence of that scheme, and it was only finally exposed when John Downey was brought before the courts here in London on charges linked to the murder of four soldiers in the Hyde Park bombings of 1982. What happened? Downey produced his letter—that “get out of jail free” card—and the courts threw out the case against him. He was allowed to walk free, without being prosecuted for the offences he is alleged to have committed.

Richard Benyon (Newbury) (Con): When I was serving in Northern Ireland, my regimental band was blown up in the Regent’s Park bombing on the same day. A few

hours later, I took a patrol out in the New Lodge area of Belfast, as the news of the bombing was coming through. The soldiers under my command showed unbelievable restraint in the face of taunts about that terrorist incident. Does the right hon. Gentleman understand the feelings of the people who showed that restraint, day in, day out, only to see now a one-sided judicial process that could take people of that era—people of my age and older—into court for alleged crimes committed during that period?

Sir Jeffrey M. Donaldson: Yes, I do understand entirely the strength of feelings. I have many comrades with whom I served in the Ulster Defence Regiment in Northern Ireland, and they are daily subjected to headlines in our local newspapers such as “Off the hook” over pictures of convicted terrorists. The hon. Gentleman can imagine how my comrades feel too, having put their lives on the line to bring some of those people to justice. Similarly, members of the Royal Ulster Constabulary, who went out to investigate the crimes, now find that the people they put behind bars can walk free, some of them as the result of the use of the royal prerogative of mercy.

As the result of a report prepared by Lady Justice Hallett into the on-the-runs issue, the Secretary of State of the day, the right hon. Member for Chipping Barnet (Mrs Villiers), told the House of Commons in a statement in 2014:

“The Government...will take whatever steps are necessary, acting on the basis of legal advice and in conjunction with the police and prosecutors, to do everything possible to remove barriers to future prosecutions.”—[*Official Report*, 17 July 2014; Vol. 584, c. 1041.]

She was referring to the future prosecution of terrorists. Since that statement was made, I am not aware of a single terrorist suspect being brought before the courts in Northern Ireland in relation to those matters. The Secretary of State also identified 36 priority cases highlighted in the Hallett report. Those were to be the subject of a review by the legacy investigation branch of the Police Service of Northern Ireland. Will the Minister tell us in his response what has happened to those 36 priority cases that were to be reviewed? Are the suspects still wanted for questioning, or have they been told, “No, you’re okay, we don’t need to talk to you”?

I want to highlight a case that I find particularly appalling. Kieran Conway is a self-proclaimed member of the Provisional IRA from Dublin. He claims that he was a senior intelligence officer at the time of the 1974 Birmingham pub bombings, in which 21 innocent people lost their lives. Conway asserts that he is aware of the identity of some of the IRA members involved in that mass murder, but he has refused to disclose that information. In addition, Conway admitted that he had been involved in a number of shooting incidents, perhaps as many as 100. He claims that a number of British soldiers were killed in some of those shooting incidents that he witnessed.

Kieran Conway is so confident that the UK authorities will not pursue him that he has written and published a book setting all that out and putting it in the public domain. Not only that, but he has appeared on the BBC “HARDtalk” programme, openly boasting of his involvement in those crimes. Has Kieran Conway been arrested and questioned about the claims he makes in

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his book and has broadcast on other media? No, he has not—far from it. Today, Kieran Conway is a solicitor in Dublin, who acts on behalf of so-called dissident republican suspects in the Special Criminal Court. Imagine the conversations that Mr Conway has with his clients—“Don’t worry, boys. One of these days the Brits will cut a deal with you too. Just keep on doing what you’re doing, just like I did, and I’m walking the streets and advising clients how to evade justice.”

Soldiers and veterans look at all of that and they think, “What is going on?” We know is going on: veterans of our armed forces are getting the knock on the door early in the morning. They find a large number of police officers outside their homes; their homes are invaded and searched. The veterans, sometimes just out of bed, are marched off to a police station, subjected to cross-examination and interrogation about crimes that occurred sometimes 20 or 30 years ago. Those are the men and women who served our country, who put themselves on the frontline and who were prepared to go out and face the terrorists; today, they are waiting again for the knock at the door.

Dr Andrew Murrison (South West Wiltshire) (Con): I hesitate to interrupt the right hon. Gentleman, because he is making a powerful speech, and I congratulate him on it. Given the number of years that he has cited—20, 30 or 40 years—does he agree that if we accept this principle about harrying and pursuing members of the armed forces, then there is no reason to stop there? Some of my constituents who served in Cyprus and Korea, or even further back, are saying, “In the fullness of time, perhaps we will be questioned about what we got up to, under the rules and norms of today rather than those that applied at the time.”

Sir Jeffrey M. Donaldson: As a former Minister in the Northern Ireland Office, the hon. Gentleman worked with me and others on such legacy issues, so he is well aware of the background to the situation. He is absolutely right. Earlier in the main Chamber, some of our colleagues made the point about what impact this might have on our ability to recruit men and women into our armed forces today. Would not a young 18-year-old looking at a career in our armed forces think twice about serving a country that might let them end up in the dock, simply for doing the job and protecting the community? That is a huge question that we need to ask of the Government. What is going on?

Danny Kinahan (South Antrim) (UUP): I congratulate the right hon. Gentleman on bringing the debate forward and on making his points so powerfully. Does he agree that evidence that is 20, 30 or 40 years old will be hard to rely on? We should be putting cases away unless there is new evidence. What really bothered me was that when I met a member of the police the other day, he said, “There are new ways of looking at evidence.” If there are new ways of looking at evidence, there is a threat that we will look at everything again. We simply cannot do that. Does the right hon. Gentleman agree?

Sir Jeffrey M. Donaldson: I thank the hon. Gentleman, himself a veteran, for his intervention.

Let me remind hon. Members of the price that our security forces paid in Northern Ireland for the service that they provided to our country: 520 Army, Royal Navy and Royal Air Force regulars, reserves and veterans murdered by terrorists; 243 from the Ulster Defence Regiment and Royal Irish Regiment, or their veterans murdered by terrorists; 325 from the Royal Ulster Constabulary or other constabularies throughout the United Kingdom and retired police murdered by terrorists; and 26 prison officers and former prison officers murdered by terrorists. That is more than 1,100 men and women in the service of the Crown who were murdered by terrorists, alongside countless others seriously injured and left to bear the mental and physical scars of that reign of terror. That is the legacy of the service provided by the men and women of our armed forces and police services in Northern Ireland.

Evidently, little effort has been made to bring to justice those responsible for those heinous crimes. I repeat, because it bears repeating: 90% of the deaths in the Northern Ireland were not caused by the Army, the police or anyone connected with the Crown; they were carried out by illegal terrorist organisations. Yet where is the pursuit of those people? The victims of these crimes cry out for justice. Where is the justice for them?

The Chief Constable, in fairness to him, established the Historical Enquiries Team, which was tasked with re-examining all the unsolved murders connected with the troubles in Northern Ireland. To a certain extent, that was a paper exercise. The team’s only remit was to review the previous police investigations; it did not have police powers to pursue investigations. When that team was wound up, its role passed to the legacy investigation branch of the Police Service of Northern Ireland, which is where it currently sits. The reality today is that 90% of the resources of the legacy investigation branch—I stand open to challenge on this—are devoted to investigating 10% of the deaths during the troubles, and 10% of its resources are devoted to investigating 90% of the deaths. Where is the equity in that? Where is the fairness in a system that produces such a result?

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate my right hon. Friend on securing this very timely debate. Does he agree that there is no comparison between former service personnel who served in Northern Ireland, who may in the vastly distant past have been engaged on patrol when whatever happened—whether it was an oversight, a misjudgment or a split-second decision—resulted in injury or death, and whose actions account for many of those 10% of deaths, and the deliberate, premeditated murders of the terrorists? That is what annoys and angers many personnel who served in the ’70s, ’80s and ’90s.

Sir Jeffrey M. Donaldson: I thank my hon. Friend for that well-made intervention. Two former members of the Parachute Regiment have recently been charged in connection with the shooting of an IRA commander in Belfast in 1972—one Joseph McCann from the Markets area of Belfast. Those two veterans are aged 67 and 65. A 75-year-old veteran, who previously served in the Life Guards, has also been charged with the attempted murder of a man in County Tyrone in 1974. Those cases will soon appear before the courts, yet people do

not, when they open their newspapers every day, see the terrorists who are responsible for the vast majority of the murders coming before the courts.

Claire Perry (Devizes) (Con): The right hon. Gentleman knows why I was not here at the start of the debate, and I am grateful to him for his courtesy. Does he agree that exactly the sorts of cases that he cites are having a chilling effect on men and women serving in the Army, who look at that opportunity for a career and say, “Why on earth would I do this?” Can he also tell us why this is happening now? My understanding is that these cases were properly identified and investigated at the time. Why is there partisan pressure now to reopen what was dealt with quite properly in the past?

Sir Jeffrey M. Donaldson: I thank the hon. Lady for her intervention.

Mark Pritchard (in the Chair): Order. The hon. Lady is an experienced former Minister. She has only just arrived. The debate is very over-subscribed; we will probably be down to two minutes for the six or seven Members who wish to speak.

Sir Jeffrey M. Donaldson: I will move to my final point, Mr Pritchard, which I feel is important, but I will first address why this is happening now. I think it is because we have had a number of inquiries, which resulted in the creation of the legacy investigation branch. For example, cases linked to the Saville inquiry have been re-examined, cases have been referred by the coroner in Northern Ireland that were previously referred by the Attorney General, and cases have also been referred by the Police Ombudsman for Northern Ireland to the legacy investigation branch. A combination of all those things in recent years has resulted in what we are now seeing. I agree entirely with the hon. Lady’s point.

Sammy Wilson (East Antrim) (DUP): Does my right hon. Friend accept that despite the imbalance that he has well documented, Sinn Féin are still not happy? Indeed, the crisis in Northern Ireland is driven by their desire to get even more soldiers in the dock and even more security documents in the open, so that they can rewrite history. The Government ought to resist the blackmail that the people of Northern Ireland and the Government here at Westminster are being subjected to by Sinn Féin.

Sir Jeffrey M. Donaldson: My hon. Friend makes a powerful point, to which I need not add.

Ms Margaret Ritchie (South Down) (SDLP): Does the right hon. Gentleman agree that many people who died in the troubles—all murders and killings were wrong—who were not members of the armed forces were innocent civilians? I can think of many of my own constituents. Will he relate that to the Stormont House agreement, which this debate is supposed to be about?

Danny Kinahan *rose—*

Sir Jeffrey M. Donaldson: I will take one final intervention.

Danny Kinahan: I just want to make the point that Corporal Major Hutchings, whom we heard about earlier, was today refused bail to go on a cruise with his wife so that his health could get better. That shows the lopsided nature of what is going on.

Sir Jeffrey M. Donaldson: I thank the hon. Gentleman for that further intervention. The hon. Member for South Down (Ms Ritchie) is absolutely right about the murder of the innocent. As my hon. Friend the Member for East Antrim (Sammy Wilson) said, republicans are trying to rewrite the history of the troubles. They want to portray the security forces as the bad guys, and they want to be portrayed on the side of good. But let me be clear: whether it was the massacre at Kingsmill, McGurk’s bar, La Mon, Belfast’s Bloody Friday, the M62 bombings, Birmingham, Narrow Water, Droppin’ Well, the Grand Hotel in Brighton, Newry police station, Enniskillen war memorial, Ballygawley, Shankill Road, Greysteel, Loughinisland in the South Down constituency, Canary Wharf or Omagh, no one can ever sanitise the horror, the inhumanity and the sickening murderous depravity of those acts of terrorism. They cannot rewrite the history of what they did to the people of Northern Ireland and others.

Two years ago, we reached an agreement in Stormont about the legacy issues and several new institutions were proposed, including an historical investigations unit that would have full police powers to revisit the unsolved murders. The main impact of the establishment of that unit would be that the murders committed by the terrorists would finally be subjected to proper scrutiny and reinvestigation, and the innocent victims that the hon. Member for South Down referred to would have the opportunity to have their cases re-examined to see whether there was the prospect of prosecution and people being brought to justice. I accept the point that the hon. Member for South Antrim made about getting evidence for cases from so long ago.

The Stormont House agreement is there. There is currently an impasse between Sinn Féin and the Government on national security. Sinn Féin are demanding that this Government fully disclose in the public domain everything that happened, which would mean that if the Special Air Service had carried out an operation in Loughgall and shot members of the Provisional IRA who were exploding a bomb outside a police station, all that the SAS did—all the rationale, all its modus operandi and all the military planning that went into that operation—would be out in the public domain. How could we ever counter terrorism again if we put in the public domain the very methods that we use to detect what is happening and safeguard life? It is a nonsense that a former terrorist organisation should have the right to demand that a lawful Government put that information in the public domain.

The Government must hold the line on national security; further, they should act now. They need to proceed with the Stormont House agreement. They need to implement the historical investigations unit. We have waited long enough. It has been two years since the agreement. Why are we allowing Sinn Féin a veto over the investigation of the murder of innocent people, soldiers and police officers? We owe this to those people and their families. I urge the Minister: please, let’s get

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on with it. Let's do the right thing. Let's investigate these murders. Let's give the people the opportunity for justice.

Several hon. Members *rose*—

Mark Pritchard (in the Chair): Some housekeeping points: the debate will end at 17.52 because of Divisions. The Minister might like to give the mover of the motion, Sir Jeffrey, a minute at the end to wind up. The Front-Bench speeches will start at 17.32, with five minutes for the Labour Front-Bencher, five minutes for the Scottish National party and, of course, 10 minutes for the Minister.

A final point: Members will be aware that the screens are not working, so you cannot keep track of time, but the good news is that we can do it for you. There is a now a time limit of three minutes for each speaker, I am afraid, and when the time is up, you will hear the bell.

5.20 pm

Mark Durkan (Foyle) (SDLP): I congratulate the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) on securing the debate. However, I do have to say that, as someone who participated in many of the negotiations in the process—some of which he discussed—and in particular has always been pushing to ensure that we keep the promise that was made in the Good Friday agreement about properly addressing legacy issues and tending to the needs of victims, I do not accept a lot of his recounting of the history of the process. Indeed, I would have to say that he has disremembered a number of key points.

In relation to dealing with the past, in a number of the negotiations that took place after the Good Friday agreement the Social Democratic and Labour party, at times the Alliance party and the Women's Coalition were all saying that the question of victims and the past needed to be dealt with, but it was quite clear from the two Governments that the parties that did not want the past dealt with were the main Unionist party at the time and Sinn Féin.

The right hon. Gentleman referred to the negotiations in Hillsborough in 2003. It was then clear. Three parties suggested that a victims' forum be established to move forward on issues of the past because the Governments and their parties were failing. Again, that did not happen because of Sinn Féin and the Ulster Unionist party, but of course the Governments continued to proceed on what they said was their commitment from Weston Park in relation to the so-called on-the-runs. That led to the legislation to which the right hon. Gentleman referred—the Northern Ireland (Offences) Bill in 2005. Contrary to what he said, that Bill was providing opportunities for certificates of amnesty to be given to members of the security forces or anyone else. Anyone could get certificates. In fact, anyone could turn up and get a certificate for anyone else—that is how wide open the scheme was—and it could all happen in secret, with victims not knowing or being told. If anyone found out, the Secretary of State could put on an additional seal of secrecy. I am proud of the fact that the SDLP led opposition to that. Did the Democratic Unionist party make that a deal breaker at the time in the negotiations for the restoration of devolution? It did not. It was the

SDLP that fought on that, because the DUP was happy to go along with some aspects of the amnesty scheme, provided that it extended to members of the security forces as well.

The right hon. Gentleman also referred to the establishment of the Historical Enquiries Team. Paul Murphy was Secretary of State at that time, and he told me very clearly that I, as the SDLP leader, was the only party leader who was pressing for anything to be done in relation to historical enquiries. I was the only person who lobbied for that team to be established and the only person who lobbied for funding. Of course, it could not be provided for in statute because there was not agreement from the other parties. So we have the DUP complaining about the very things that it opposed and helped to prevent. Similarly, in terms of the Stormont House agreement and the prior discussions on Haass and everything else related to dealing with the past, the DUP stood in the way of getting an agreement as well.

5.23 pm

James Heapey (Wells) (Con): It is a pleasure as ever to serve under your chairmanship, Mr Pritchard. I congratulate the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) on securing the debate. I had wanted to speak at length about the perception of amnesty, but there is not time to do that, so, as an ex-soldier who served in Northern Ireland twice and in Iraq and Afghanistan twice, I will focus on what I believe is the impact of these inquiries on those who are serving or may serve in the future in our armed forces.

Retrospective investigation over actions taken in battles in Iraq, Afghanistan and Northern Ireland breaks the covenant that the Government, Parliament and the nation has with our armed forces. Those who have served feel betrayed, those who now serve are concerned, and those who might have served now might not. However necessary the Government might insist that these inquiries are and however fair and proportionate the investigatory process is designed to be, merely the prospect of it is enough to make those serving now hesitate before pulling the trigger. In battle, that hesitation costs lives.

Those who serve now do so inspired by this nation's relationship with its armed forces over the centuries. To defile that relationship is to diminish our military capability now and in the years to come.

5.24 pm

Gavin Robinson (Belfast East) (DUP): I shall deal with three aspects of this issue in the short time we have. The first is what the British Government should do. My right hon. Friend the Member for Lagan Valley (Sir Jeffrey M. Donaldson) clearly, fairly and comprehensively set down what we believe as a party that we as a society should strive for in terms of fairness and justice.

When I think of the Government, I also think of our head of state. Her Majesty the Queen has done more than anyone else historically and symbolically to bring people in these islands together. Her son, the Prince of Wales, made a historic visit two years ago to the place in Ireland where his cherished uncle, Lord Mountbatten, was murdered.

There was a conviction for an attempted bombing of the Prince of Wales last year, and three Members of the Dáil—MPs like us in the Republic of Ireland—wrote to

court in support of a dissident republican. Mick Wallace TD, Clare Daly TD and Maureen O'Sullivan TD all wrote in support of a dissident republican who attempted to kill the son of our head of state. There is a huge onus on the Irish Government and on parliamentarians in Dublin when we consider Kingsmill and the promises that the Taoiseach made to the families of the Kingsmill massacre. They said that they would make full disclosure to the coroner's inquiry. Have they done it? No, they have not. Therefore, while there is an onus on the British Government to ensure that we are serving our armed forces personnel and veterans in this country, there is a huge onus on those co-guarantors in the Irish Government to step up to the plate as well.

From a Northern Ireland perspective, what can we do? In my constituency last year, prison officer Adrian Ismay was murdered by dissident republicans. Despite five breaches of bail, the chief suspect in his murder was not challenged by police—police sent an order to officers not to bother him with bail checks—and only this week we discovered that Damien McLaughlin, who was charged with aiding and abetting the murder of David Black, a prison officer in 2012, absconded on 18 November. He has not signed on bail even though he was required to do so five days in the week, and the police did not raid his house for six weeks. They did not tell court or seek a warrant for his arrest until this January.

Whether it is historic, a legacy case or very much in the here and now today, we are failing innocent victims. I do hope that the Minister takes the opportunity to respond.

5.27 pm

Tom Elliott (Fermanagh and South Tyrone) (UUP): It is a pleasure to serve under your chairmanship, Mr Pritchard. I welcome the opportunity to have the debate and thank the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) for initiating it. I think the starting point is the inequality in the current process and system, which was highlighted by the Minister just a few weeks ago in this Chamber. He accepted that the approach to the past had not been proportionate. That is a good starting point, and we have to realise that.

I am not going to go over all the issues, but may I say that unless we get a system that delivers for the victims in our society, Northern Ireland will never progress as a society that builds together and works together.

We have heard instances of some former soldiers. Like the right hon. Gentleman, I served in the Ulster Defence Regiment. I remember being on duty when Sergeant Hugh McCormick, a Roman Catholic police officer, was murdered coming out of mass on a Sunday morning—I remember going to that. I remember being flown out to an incident in which a good friend of mine, Jimmy Graham, was killed—the third of the Graham brothers to be murdered. He was driving a school bus to pick up a load of young kids to bring them to swimming.

The hon. Member for South Down (Ms Ritchie) mentioned the innocent victims. How much more innocent can you get than workmen coming home from serving and working, doing a building job? Their van was blown up at Teebane. How much more innocent can you get than those standing around a war memorial to remember the dead of the two world wars? An IRA bomb went off and murdered 11 of those people. How

much more innocent can you get than those Kingsmill people going home from their work? This is absolutely disproportionate. I remember speaking to Ronnie Funston at the Enniskillen cattle mart where we were selling cattle. Two days later, he was murdered on his tractor. He was an innocent man and not a member of any security forces.

I have to say that, unless we stop this process whereby the majority of the focus is on former security forces, we will never move forward. If terrorists and former terrorists can get their royal prerogative, why can soldiers not? There has to be some equality in this system; we do not have any at present.

5.30 pm

Dr Andrew Murrison (South West Wiltshire) (Con): First, I hold soldiers to a far higher standard of service than I do terrorists—that needs to be understood. However, I have to say that what is happening at the moment is the worst possible recruiting sergeant imaginable. Having 70-year-old veterans being hauled out of their beds at 3 o'clock in the morning to answer for things that may or may not have happened 40 years ago is remarkable. I can scarcely remember what I was doing last year; I certainly cannot remember what happened 40 years ago.

I am really worried about the quality of available evidence for investigations of this sort. The Secretary of State for Northern Ireland has talked, and is worried, about a “twisted narrative”. He needs to say in clear terms what he will do to unpick that narrative, because the message at the moment is that the awful things that happened during the troubles were predominantly caused by members of the armed forces, which is truly remarkable, given the statistics shared by the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson). That must be dealt with now. It needs to be nipped in the bud, otherwise our colleagues at the Ministry of Defence will find it ever more difficult to recruit the young men and women needed to serve the forces of the Crown.

5.31 pm

Deidre Brock (Edinburgh North and Leith) (SNP): It is a pleasure to serve under your chairpersonship, Mr Pritchard. It is undoubtedly safe to say that the political landscape across the Irish sea today is not as it was when the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) secured the debate. The stalemate around the implementation of the agreement remains, but there is now more to consider.

Some would suggest that politics in Northern Ireland has just entered election mode, and that there is little to be said by politicians such as myself on this side of the water. There may be some encouragement for the parties to get back around the table, but the chances of that happening currently seem sadly distant, to say the least. The renewable heat incentive seems to have become all-consuming, and the fallout from it will clearly continue to be an issue for some time; there may yet be an inquiry, and we will wait to see what that brings. The implementation of the Stormont House agreement will be waiting for whoever assumes responsibility for the Northern Ireland Executive in the months to come.

I do not think it is for me to tell Northern Ireland, its people, elected representatives or institutions what they should do, but it seems that the process of implementation

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is more than stuck and needs a hard push to get it moving. It will need some hard-headed negotiation and a great deal of good faith on all sides. The supply of good faith may be experiencing some issues at the moment, but I have no doubt that the fine men and women who sustain politics in Northern Ireland will not be shy in providing the hard-headed negotiation; we have seen that reflected in the passionate contributions from every single Member who has contributed today.

There has been plenty of movement in Stormont since the re-establishment of the devolved Government, and the individuals and parties who have served in the Assembly deserve great credit for the advances there and for the establishment of peace as an expected part of life. The attitudes shown at Stormont over the past decade will be needed now as much as they ever were, and I urge all parties in Northern Ireland to take a bit of time to focus on a strategy for the future that establishes what needs to be done to advance the interests of the people they represent, rather than allowing those interests to remain stuck.

It will be almost entirely the responsibility of Assembly members to sort out the problems that have resulted in the stalemate, and they will have to be the pivot on which the future turns and the implementation of the agreement depends. That said, it will need the support of the UK Government—especially in providing the resources needed for addressing the legacy issues and moving on from them. It would be good to have some assurances from the Minister that that will be forthcoming.

The next wee while will not be a walk in the park. The Scottish National party recognises that responsibility for forward movement rests in Belfast, but we offer whatever small help we can.

5.34 pm

Stephen Pound (Ealing North) (Lab): I join those who have paid tribute to your chairing of the debate, Mr Pritchard. I also join those who have paid tribute to the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson). I have known him for many years. He is a man who always speaks with utter—sometimes painful—honesty, but with the deepest sincerity. Anyone who has any doubt at all about the rawness of these issues should listen to the right hon. Gentleman's speech, because that rawness still smarts today. We, as parliamentarians, and as co-guarantors of the Good Friday agreement in this country, have an absolute bounden duty to seek to achieve that which we all want: a peaceful, settled and secure Northern Ireland.

I also associate myself with the comments of the hon. Member for Fermanagh and South Tyrone (Tom Elliott). I joined him in what I have to say was a slightly unlikely occasion for me: the 12 July parades in Maguiresbridge. I talked to people for whom the border conflict is not a footnote in history but a bloodstained page in their own family lives and their own family bibles—people who actually lived through that horror.

I do not look at this from one particular perspective or another, and I certainly do not look at it with blinkered eyes. However, as the hon. Member for South West Wiltshire (Dr Murrison) quite rightly said, we expect higher standards from our armed forces. I see no

comparison between terrorism and military action, but there have been occasions in the past when people in our armed forces have not acted in the best traditions of our armed forces. I do not think that any of us should pretend that there have not been occasions when matters have occurred that need to be investigated.

I do not believe that every single person in any single organisation can be completely exonerated. That might seem offensive to some people, and I apologise, but on behalf of the many who have served in the armed forces, there is no time or respect for people who act outside the law. Yes, it was a horrendous time, but there is still no excuse for anyone breaching their code of honour—and it is a code of honour that one subscribes to when one wears the Queen's uniform.

However, the Stormont House agreement and the subsequent Fresh Start were about much more than that particular aspect. Hon. Members should not forget that it was welfare reform that ran the whole business into the sand. It is hard to think that it was agreed only in December 2014. At that time the issues were overwhelmingly ones of welfare reform, and also about the size of the Assembly. There were a huge number of other issues, including the winding up of the historical enquiries team and the introduction of another two or three bodies.

At that time, flags and parades was extremely important, as was the past. I pay credit to the right hon. Member for Belfast North (Mr Dodds) and all of those involved in winding down the Twaddell Avenue circumstances, which showed that, on occasion, we can actually achieve things. What seemed insoluble a few years ago has been solved, and I pay undiluted credit to all the people involved, at least two of whom are sitting in this room today. However, implementation of the Stormont House agreement is the subject we are talking about today; we are not talking solely about the Police Service of Northern Ireland.

Richard Benyon: Does the hon. Gentleman agree that the world looked at the peace process in Northern Ireland with huge admiration? It did many people sitting in this room enormous credit that they were able to swallow that agreement for the greater good. However, the world is also looking at the United Kingdom in a whole range of ways at the moment, and one of them is how we treat our veterans. This comes down to a matter of great interest for Britain's perception in the world. Does the hon. Gentleman agree that that is something the Government would be well advised to consider?

Stephen Pound: I do not think that anyone would possibly cavil at the thought of respect for our military, our veterans and the military covenant. Equally, however, I do not think that anyone would say that without exception there has never been an incident in which a person wearing the Queen's uniform acted outside that code of honour and those rules. That might be uncomfortable to say, but I think that we do our armed forces and our veterans a disservice if we say that they can do no wrong. After all, they are human beings.

Mr Laurence Robertson (Tewkesbury) (Con): The hon. Gentleman makes a good point. My problem with it is that one side in the conflict constantly referred to it as a war—it still does—so on one side there are people

acting as they would in a war, where they can do terrible things, whereas the security forces are bound by very strict rules. I think that is the unfairness of it.

Stephen Pound: What we call something is less important than what actually happens. When someone is dying, when someone has been shot in the back, when someone has been bombed, when someone has been a victim on either side, whether it is called a war or murder is less important to their relatives back home who receive the message of the death of a loved one. I entirely understand that some people will seek to justify it on one side or the other, but we are talking here about the implementation of the Stormont House agreement and Fresh Start.

The hon. Member for Edinburgh North and Leith (Deidre Brock), who speaks for the Scottish National party, is absolutely right. One reason why the Fresh Start agreement was successful was that at that time the PSNI accepted and admitted that there was still dissident republican activity on the streets of Northern Ireland. That was one reason why the Democratic Unionist party went back into the Executive. I think that we should be concentrating on those issues. We have to look at the murders that are taking place today. We have to move forward. Yes, the past is a mighty weight on our shoulders and it cannot be denied, but we cannot allow it to crush us. We have to move forward.

Mark Pritchard (in the Chair): I remind the Minister that the debate will end at 5.52 pm. If he wishes to allow time for Sir Jeffrey Donaldson to respond, he might wish to resume his seat at 5.50.

5.41 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Kris Hopkins): First, let me say what a pleasure it is to serve under your chairmanship, Mr Pritchard. I congratulate the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) on not only the content of his speech, but the honesty and the power with which he communicated his feelings on this very important matter. I also congratulate colleagues on both sides of the Chamber who either intervened or made speeches. I will mention a couple of those briefly before commenting on the Government's position.

Let me recognise my hon. Friend the Member for Wells (James Heapey) and the passion with which he speaks, as a former soldier—I speak as a former soldier as well. When I look at the hon. Members who made contributions, I see that it is a mix of people; some have served, and some represent communities that suffered terrible violence over a long period. Some people represent areas with soldiers. Some people serve on Committees. There is huge interest in, and a huge commitment to, trying to find resolutions to some of the challenges that we still have in Northern Ireland. The House should be very proud that it can bring together people with knowledge and a determination to resolve some of these issues.

There are difficult issues to address. I compliment my opposite number, the hon. Member for Ealing North (Stephen Pound), because we can just be sucked into a narrative that says that soldiers are always right. I served in Northern Ireland, and I was extremely proud of the professionalism with which my colleagues served. Hundreds of thousands of soldiers served very bravely. However, to answer the question from my hon. Friend

the Member for Newbury (Richard Benyon) about the way the world is looking at how we treat our veterans, one reason why our services are regarded as such a professional body of people is the high standards that politicians, our military and the public expect from soldiers. It only takes one person to commit an act that undermines that reputation, so it is important, regardless of whether someone is a soldier or a terrorist, that if they have committed a wrong or there is a thing to be answered, it should be answerable.

James Heapey: A number of people have said that the military are held to a higher standard, and rightly so, but they are held to that higher standard at the time of the engagement and in the immediate aftermath. They are investigated by the Royal Military Police and the Special Investigation Branch there, in theatre. What does not need to happen is the investigation 40 years later of people who have done their duty and long since stood down.

Kris Hopkins: I thank my hon. Friend for his intervention. I will just say that I sat and listened to the former Prime Minister's contribution on the Bloody Sunday investigation. I have to say that I refused to accept a narrative that I had heard for many decades about what had happened, and there was clear wrongdoing, so there are moments when we have failed and we should hold our hands up and not just capitulate to a romantic message that we are always right in the military.

I want now to focus on what we are proposing, because the key message that I got from today's debate was the passion with which the right hon. Member for Lagan Valley wanted to get that proportionality and balance back into what is happening at the moment. The Stormont House agreement addressed many things relating to legacy and the shape of the Assembly, but for us in this debate it was about the formation of the historical investigations unit and addressing some of the issues that people have talked about: the care of our veterans; reform of the Northern Ireland inquest function; ensuring that victims and survivors have access to high-quality services; implementing the comprehensive mental trauma service; seeking an acceptable way in which victims can gain a pension; and giving victims and survivors access to advocate-counsellor assistance. It is vital that progress is made on all of that to address the legacy of the troubled past, and we need political stability to be able to drive that forward. The Government want to put £150 million on the table. We want to create a period of five years in which we will work our way through and address the 90% of murders that were carried out by terrorists, and balance and proportionality will be brought back into the system.

There are huge numbers of former soldiers who were murdered and whose cases are not being investigated at this time. Nearly 200 soldiers were murdered, and those cases are not being investigated at the moment because there is no mechanism in place. When people talk about injustices against soldiers at this time, that is because of the present system. I would like to talk about what is proposed. When I was here just a few weeks ago, there was more resistance to what was suggested in relation to the historical investigations unit. I think that there is now an idea, an understanding, of what we want to actually do in putting that proportionality in place and ensuring that those 3,500 people who were murdered and the families of those people get some justice.

[Kris Hopkins]

One conversation that has come about has been about an amnesty—an end to this whereby we just draw a line. The right hon. Member for Lagan Valley read out a long list of people and of events that had occurred—terrible events in which people were traumatised and damaged and will be for a long time. They want justice. There is not a line to be drawn. Whether an act was perpetrated by a terrorist or whether a soldier was involved, people want their moment in court, when they can get an understanding of what happened.

Dr Murrison: Will the Minister not accept, though, that because terrorists do not keep records and are not going to respond to letters from the Ministry of Defence inviting them to unburden themselves, there will be a mismatch in the information available to the courts? That means that successful prosecutions may be brought against servicemen—a small number, I suspect—but there is no chance, realistically, of a commensurate number of prosecutions being brought against terrorists.

Kris Hopkins: What is important is that we create the space, give the resource and set a framework in which those investigations can be explored. We are suggesting a five-year period in which chronologically we work through the evidence that is available, the evidence that we can now discover through new means and techniques that are available, so that there is an understanding of what happened at that moment and we can best explore that. It is right that we put that proportionality back in and ensure that that is addressed.

I want to give the right hon. Member for Lagan Valley the opportunity to respond, so I will briefly touch on some of the issues and questions raised. First, the PSNI is still considering the 36 priority cases and actively reviewing the incidents involved. So there is not an end to that; it will pursue that. I have mentioned to the hon. Lady from the SNP, the hon. Member for Edinburgh North and Leith (Deidre Brock), that the Government have made clear their commitment to provide £150 million over five years to help support the establishment of the new institutions that are addressing the past.

We need to create a political space in which we can deliver this. The Secretary of State wants to consult the

public on how we do this, but people will again raise the issues that have been put on the table today. However, as the right hon. Member for Lagan Valley said, it is important that justice is provided and that proportionality is brought back into this system. I hope that when these proposals come forward they are robustly challenged, people make contributions to them and we understand that this is about bringing justice to the people of Northern Ireland.

5.50 pm

Sir Jeffrey M. Donaldson: I will be very brief. I thank the Minister for his response and thank other right hon. and hon. Members who have contributed to the debate this afternoon. Let me be clear, Mr Pritchard. As a former soldier, like a number of colleagues who have spoken, I am not prepared to stand back and see my former comrades vilified and hounded for serving their country and standing in the gap between democracy and tyranny. They defended us, and we must defend them. Peace is a noble cause, but when peace means the denial of justice and becomes the oppressor of the innocent, it is less noble.

I can do no better than quote the words from a tribute poem written by Shane Lavery, who was 10 years old when his 18-year-old brother, RUC Constable Robert David Lavery, was murdered by the Provisional IRA on the Antrim Road in Belfast on 16 July 1972. He was sitting in a patrol car, travelling down the road. I finish with this:

“Remember me. For I cannot pass this way again and memories are all you can have. Unlike those who put me here. Was it I who broke the law or they? Yet they live to fight another day.”

We owe it to Constable Robert David Lavery, his family and all those who served our country as police officers and soldiers to stand by them, to stand with them and to ensure that there is proper, proportionate justice.

Question put and agreed to.

Resolved,

That this House has considered implementation of the Stormont House Agreement.

5.52 pm

Sitting adjourned.

Written Statements

Tuesday 10 January 2017

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

UK HPR1000 Reactor

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jesse Norman): I have today asked the UK's independent nuclear regulators, the Office for Nuclear Regulation, and the Environment Agency, to begin a generic design assessment of the UK HPR1000 reactor.

This is the nuclear reactor design by China General Nuclear which General Nuclear Services (a subsidiary of Électricité de France SA and China General Nuclear) propose to use at a prospective new nuclear power station at Bradwell in Essex.

In September the Secretary of State confirmed that the Government had decided to proceed with the first new nuclear power station for a generation at Hinkley Point C. This will see the start of a new nuclear programme that will help provide the energy security we require as we move to a low-carbon energy future.

The investment by General Nuclear Services (GNS) in committing the resources required for the UK HPR1000 reactor (Hualong reactor) to go through the generic design assessment underlines the fact that international companies continue to view investment in the UK's low-carbon energy future positively.

The Government welcome such investment. The nuclear industry in the UK is subject to a stringent regulatory regime to ensure safety, security and mitigation of any potential environmental detriment. Generic design assessment is now an established feature of the regulatory regime and is a respected process for rigorous and transparent nuclear regulation. I am therefore pleased to be asking the regulators to begin to assess the UK HPR1000 reactor through GDA.

As with previous such assessments, the full cost of the GDA will be charged to the requesting party (in this case GNS) which submits the design for assessment. This process is independent of any final agreement to commission a reactor of the relevant type.

[HCWS398]

CULTURE, MEDIA AND SPORT

21st Century Fox/Sky Merger

The Secretary of State for Culture, Media and Sport (Karen Bradley): Sky Plc announced on Friday 9 December that it had received an approach from 21st Century Fox Inc to acquire the 61% share of Sky Plc which it does

not already own and I made a statement on 20 December about the proposed merger and the process that would need to be followed.

21st Century Fox have been in contact with my officials and have confirmed that they intend to notify the proposed merger to the European Commission for review under the EU merger regulation. Before formal notification, the parties intend to engage in pre-notification discussions with the Commission from January onwards. The timing of a formal notification to the Commission is therefore not fixed and will happen dependent on the parties' ongoing discussions with the Commission. It is in the nature of this process that we cannot know in advance the dates upon which certain steps will happen.

As I made clear to the House on 20 December, I will aim to make a decision on whether or not to intervene within 10 working days of formal notification being made to the European Commission. Given the clear intention of the parties to engage with the Commission informally, I have asked my officials to prepare and put in place the necessary procedures to ensure that when I need to make a decision I can do so as quickly as possible and with the relevant information in front of me. As such, my officials have commenced their work to analyse the relevance of the public interest considerations as set out in the Enterprise Act 2002 to the merger. In doing so, they will look at the available evidence and will consider representations which are relevant to those specified public interests. This is preparatory work, and I am clear that the point has not yet been reached where I will be taking a decision on whether or not to intervene.

Any decision I do take on whether or not to intervene will be a quasi-judicial one and it is important that I am able to act independently and that the process is scrupulously fair and impartial. As a result, I will not be commenting on the merits of the proposed merger. I do, however, I recognise that this is an issue of significant interest to the public and has raised a lot of interest in Parliament, as well as being a significant issue for the parties concerned. I will therefore be keeping Parliament informed of the process as it moves ahead and will make a further statement when the parties have formally notified the Commission, ahead of making any decision about whether to intervene.

[HCWS399]

FOREIGN AND COMMONWEALTH OFFICE

Biological and Toxin Weapons Convention

The Minister for Europe and the Americas (Sir Alan Duncan): The eighth review conference to the biological and toxin weapons convention held in Geneva concluded on 25 November 2016.

At the review conference, states parties agreed a final declaration reaffirming their continued commitment to the convention's objectives and their determination to exclude completely the possibility of the use of biological weapons. States parties reviewed the operation of the convention and expressed views on its articles. States parties agreed that the prohibitions in article I, defining the scope of the convention, apply to all scientific and technological developments in the life sciences and in other fields of science relevant to the convention that have no peaceful purpose.

The conference also agreed to:

Hold meetings of states parties of up to five days every year before the next review conference in 2021. The first meeting in December 2017 will seek progress on issues of substance and process, aiming to agree a substantive programme of work up to 2021.

Renew for five years the mandate of the three-person implementation support unit, which serves as a focal point and support for states parties' work under the convention.

Continue to seek improvements to the convention's assistance and co-operation database and to ensure specific, timely and concrete offers to states parties seeking assistance under the convention.

Renew the sponsorship programme to support participation by states parties otherwise unable to attend key meetings, funded by voluntary contributions.

The United Kingdom worked closely with other European Union member states and like-minded partners in preparatory meetings and at the review conference to secure an outcome which strengthened implementation of the convention. Despite our best efforts and the support of an overwhelming majority of states parties, a more ambitious work plan proved impossible to secure.

The UK will continue to support work in this field, addressing substantive issues with like-minded states parties and others; where necessary, we will do so outside the formal framework of convention-sponsored meetings. The UK will engage constructively in future annual meetings of states parties to support and strengthen the convention which remains a foundation stone of the international non-proliferation system.

[HCWS400]

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