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18 October 2017**

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Wednesday 18 October 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

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Hurricane Relief (Caribbean)

1. **Scott Mann** (North Cornwall) (Con): What steps she is taking to provide hurricane relief in the Caribbean. [901226]

The Secretary of State for International Development (Priti Patel): The UK Government mounted an enormous cross-Government response to the devastating hurricanes consisting of more than 40 aid experts, 2,000 military personnel and more than 50 police officers, with HMS Ocean, RFA Mounts Bay and more than 600 tonnes of humanitarian aid. I give my thanks to our military and civilian personnel, whose efforts during the hurricane relief effort were simply heroic.

Scott Mann: Will my right hon. Friend assure me that our friends in the Commonwealth who have been affected by these recent hurricanes are receiving support and aid as they recover?

Priti Patel: I thank my hon. Friend for his question. The hurricanes have been devastating, and I have seen their effect across our overseas territory. I can absolutely give the House an assurance that we are not just supporting the overseas territories; we are now working with them on the recovery and the rebuilding efforts, in addition to the relief efforts.

Patrick Grady (Glasgow North) (SNP): What progress is being made on the commitment that the Government made at the world humanitarian summit last year to increase spending on disaster risk reduction? How is that being implemented and in what countries is disaster risk reduction spending increasing?

Priti Patel: The hon. Gentleman is right to point that out in terms of the grand bargain and the humanitarian work that Britain leads on around the world. He asks about progress. I can let the House know that enormous progress has been made directly with the humanitarian agencies that we work with, through the funding that we are putting in place. We are making sure that the grand bargain commitments are part of the funding performance that we now put in place with regard to the reform agenda.

James Gray (North Wiltshire) (Con): My understanding is that military assistance to British overseas territories may not be paid out of the British aid budget. Is it not an absurdity that our defence budget has to pay for British military aid in the Caribbean?

Priti Patel: Let me politely say to my hon. Friend that that is not wholly accurate. When it comes to support for the military budget, he will know that part of the official overseas development assistance goes to the Ministry of Defence, so, as I said earlier, this has been a cross-Government effort involving the Foreign Office, the MOD and the Department for International Development, and others, including the Home Office. We have all been providing a great deal of support to the overseas territories.

Jo Swinson (East Dunbartonshire) (LD): The Secretary of State is right that the scenes of devastation that we have witnessed are heartbreaking. As well as helping victims, we must try to prevent future damage, so will she reverse the recent trend in reducing DFID climate change funding, especially for the adaptation work that is so crucial to help vulnerable communities become resilient to hurricanes and other climate-related disasters?

Priti Patel: We are very focused on resilience as part of the recovery programme and dealing with the challenges faced in respect of climate change. The implications of climate change for small island states are very much a focus of DFID, but also across the Government. We are leading many of the discussions internationally in terms of climate change—how we support resilience programmes through our aid budget, but also how to help countries have the preparedness that they need to deal with some of these disasters.

Kate Osamor (Edmonton) (Lab/Co-op): On Friday, the Secretary of State finally announced her big plans for the Caribbean's recovery—a private sector taskforce, but not a penny of new funding. What are her plans to ensure that that taskforce helps those in need, rather than fat-cat profiteers? Is this really the best the UK Government can do?

Priti Patel: I am disappointed by the tone the hon. Lady has taken, primarily because, having been to the overseas territory myself, I have seen the private sector absolutely wiped out. We are talking about not large sectors and industries, but men and women who have lost their livelihood—small shops and small businesses. That is effectively why we have established a private sector taskforce, which will work with the chambers of commerce and those grassroots organisations that will help small businesses to get back on their own two feet. She also asks about money and resources. Of course, we are providing all the support that is required.

Leaving the EU: Preferential Trade

2. **Colin Clark** (Gordon) (Con): What discussions she has had with the Secretary of State for International Trade on securing preferential trading access to the UK for least developed countries after the UK leaves the EU. [901227]

The Secretary of State for International Development (Priti Patel): DFID and the Department for International Trade are working together to prepare and plan for the day when Britain finally leaves the EU in 2019, when we will start to secure duty-free access to less developed countries and work on trade preferences.

Colin Clark: The oil and gas industry, which is important to my constituency, uses copper and nickel—major exports of less developed countries such as Madagascar and the Democratic Republic of the Congo. Does my right hon. Friend agree that free trade with those countries is good for them and good for the UK?

Priti Patel: My hon. Friend is absolutely right, and I am well aware of his constituency's links with the sectors he mentions. By increasing trade opportunities for UK firms, we can help the world's poorest countries trade themselves out of poverty, which everyone in the House wants.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): In many of the countries in which the Department for International Development operates, co-operation on the ground with the European Union is crucial to the impact of our efforts. Will the Secretary of State assure us that work is being done to ensure that that development co-operation with the EU continues?

Priti Patel: The hon. Gentleman makes an important point about development co-operation. We lead in many countries, both bilaterally and multilaterally, but co-operation is vital to delivering on the ground for the world's poorest. We will continue to work not only with the EU, but with other partners in some of the poorest parts of the world where they can add value and where there is great need.

Dame Caroline Spelman (Meriden) (Con): The United Kingdom has historically imported 50% of the sugar that we consume on preferential terms from developing countries, and it is then refined by Tate & Lyle. Will the Secretary of State reassure the House that the jobs, both at home and abroad, that depend on that agreement will be given proper consideration in the Brexit negotiations?

Priti Patel: My right hon. Friend is absolutely right about trade preferences and the implications for securing jobs in this country and about creating new markets in developing countries and new trading opportunities. As part of the discussions, those subjects will be at the heart of securing a prosperous future for our country and for poor countries around the world.

Dr Roberta Blackman-Woods (City of Durham) (Lab): What reassurance can the Secretary of State provide that post-Brexit trade agreements for the least developed countries will enshrine good-quality employment rights and high standards of health and safety, align with fair trade policies and support trade union recognition?

Priti Patel: It is important for the hon. Lady to recognise that Britain is at the forefront of that, unlike the EU, which has yet to agree trade preferences and good trading opportunities with some of the world's poorest countries. Britain will lead the world in free trade, but, importantly, we will also help the poorest countries to invest in skills, technical assistance and capacity building and create new markets. *[Interruption.]* The hon. Lady says no, but she should recognise that her party did little when in government to support trade in poor countries, which is exactly what this Conservative Government are doing.

11. **Kevin Foster** (Torbay) (Con): Does my right hon. Friend agree that Brexit offers us the opportunity to go further than the EU's rules and to strengthen the UK's offer on trade with the world's poorest countries, so that they can trade their way out of poverty? [901236]

Priti Patel: My hon. Friend is absolutely right. The mission of this Government and of my tenure at DFID is to do exactly that. We want to ensure that economic development is at the heart of everything we do, meaning free trade, market access and helping countries to stand on their own two feet.

Natural Disasters: Emergency Funds

3. **Craig Tracey** (North Warwickshire) (Con): What steps she is taking to ensure that emergency funds can be made available from the aid budget to help British overseas territories to recover from natural disasters. [901228]

The Secretary of State for International Development (Priti Patel): Overseas development assistance rules have not and will not stop Britain providing money needed for the hurricane recovery and reconstruction effort. The UK has committed over £60 million to the Irma and Maria relief efforts, and we are of course working with all our international partners to provide support.

Craig Tracey: Does the Secretary of State agree that recent events highlight the need for greater use of disaster recovery insurance to protect vulnerable nations, such as those in the Caribbean? Will she update the House on the Department's work in that area?

Priti Patel: My hon. Friend is absolutely right. The Caribbean Catastrophe Risk Insurance Facility has paid out \$49 million in the last month alone to the islands affected by the recent hurricanes. Through the World Bank and other international financial institutions, Britain and the British insurance industry are leading the way in providing more insurance support internationally.

Chris Law (Dundee West) (SNP): In recent years, 58% of deaths caused by disasters have occurred in fragile states. What assurance can the Secretary of State give us that the aid budget for disaster relief will remain compliant with official development assistance rules and will focus on resilience and recovery for some of the world's most vulnerable people living in those fragile nations?

Priti Patel: I thank the hon. Gentleman for his question. He is right to highlight the fragility of many countries. Our aid budget is there to provide relief and the preparedness to help them to deal with many of the disasters and catastrophes that take place through climate change and conflict and through man-made disasters, too. That is effectively DFID's focus.

James Duddridge (Rochford and Southend East) (Con): Would a cross-departmental unit focused on the overseas territories, staffed by DFID, the Foreign Office and the Ministry of Defence, help to solve some of the problems of co-ordination and provide a better response to our OTs?

Priti Patel: My hon. Friend highlights the importance of co-ordination. The cross-Government hurricane relief effort was strong and co-ordinated. We have to respond accordingly to crises when they happen, and we work together effectively. We are joined up and are making sure that we deliver for the people who need help.

Kate Osamor (Edmonton) (Lab/Co-op): We are just 10 days away from the negotiations in Paris on changing the ODA rules, and the Government still cannot clearly tell us their position. Will the Secretary of State tell us what changes the UK Government are seeking? Can she guarantee those changes will not divert aid away from the poorest?

Priti Patel: The hon. Lady is absolutely right. The House may have noticed that the secretary-general of the OECD was in town yesterday, and I met both him and the chair of the Development Assistance Committee to discuss this issue. They are the first to recognise that such small island states need resilience to the impact of climate change and that we need greater agility in applying the rules to many of those countries. We will have that discussion at the DAC in 10 days' time.

Rohingya Refugees (Bangladesh)

4. **David Hanson** (Delyn) (Lab): What steps the Government are taking to increase long-term support for Rohingya refugees in Bangladesh. [901229]

5. **Mary Creagh** (Wakefield) (Lab): What steps her Department is taking to help Rohingya refugees in Bangladesh. [901230]

The Secretary of State for International Development (Priti Patel): The UK is the largest bilateral donor to the Rohingya refugee crisis in Bangladesh. DFID has worked in Cox's Bazar for many, many years, and it has recently stepped up efforts with an additional £30 million in the light of the refugee crisis. We are working with many partners, and I am sure all colleagues in the House, including those who spoke in yesterday's debate, recognise the difficulties we face in providing aid because of the scale of the refugee crisis. Britain is leading, and we are working with our international aid partners.

David Hanson: I accept that the UK is the largest bilateral donor, but the Secretary of State will know there is a United Nations conference on the issue next week. Will she clarify today the UK Government's objectives at that conference? How will she put pressure on other countries to step up to the plate, too?

Priti Patel: The right hon. Gentleman is absolutely right. I have already called for violence to stop and, importantly, for aid access to be granted. The point about the UN efforts is that we have to have a co-ordinated approach and response to the aid effort, aid delivery and aid access. It is also important that we ensure our voices are heard by the Burmese military, so that they stop the violence and introduce protections for the Rohingya people, rather than the persecution we have seen so far.

Mary Creagh: Although the majority of Rohingya Muslims have sought sanctuary in Bangladesh, 40,000 refugees in India face deportation back to Burma. Has

the Secretary of State raised that with her Indian counterparts? If not, will she now guarantee that she will do so?

Priti Patel: The hon. Lady is absolutely right about the plight of the Rohingya people inside India, which shows the level of dispersal and displacement. With my Foreign Office counterparts—the two Departments are obviously working together—I will pick this up with the Indian Government. Importantly, our focus right now is on the relief efforts in the light of the humanitarian catastrophe in Bangladesh.

Mr Gregory Campbell (East Londonderry) (DUP): What pressure can be applied to the authorities in the region and particularly to the office of Aung San Suu Kyi? Tributes have been paid to her in the past for her work to bring people together to try to bring an end to the onslaught and murder that continue in the region.

Priti Patel: Of course Aung San Suu Kyi has an important role to play. She has a voice, and she needs to use it to stop the persecution and, with the Burmese military and with what is effectively her Government, to create routes home for the Rohingya people, giving them security, rather than the fleeing and persecution we have seen. It is not just for the British Government, although we are doing this, but for all international voices to step up, come together and make that abundantly clear to her.

Commonwealth Development

6. **Adam Afriyie** (Windsor) (Con): What steps she is taking to promote development in other Commonwealth countries. [901231]

The Minister of State, Department for International Development (Rory Stewart): The Prime Minister and Secretary of State have made it clear that the Commonwealth is absolutely central to our future policy, and that is not just true in respect of forthcoming Commonwealth Heads of Government meetings; the 20 largest DFID recipient countries include Nigeria, Bangladesh, Pakistan, Kenya, Uganda, Rwanda, Tanzania, Malawi and Sierra Leone, in which our programmes extend from health and education, to economic development, without which there can be no jobs or growth.

Mr Speaker: We appreciate the power of recall of the hon. Gentleman's exceptionally fertile mind.

Adam Afriyie: Given the health and vibrant link between Commonwealth countries that open up to trade and their subsequent rapid economic development, does my hon. Friend agree that we have not only an economic imperative, but a moral obligation to do whatever we can with foreign aid to focus our efforts on supporting free trade? [*Interruption.*]

Mr Speaker: Order. We are discussing very serious matters appertaining to the livelihoods of our friends in Commonwealth countries, as we have been treating of a great many other serious issues. I am sorry that the hon. Member for Windsor (Adam Afriyie) had to contend with excessive noise, but I am sure the House will now be becalmed as it listens to the flow of the eloquence of the Minister of State.

Rory Stewart: Absolutely. In this, as with everything, the devil is in the detail. For example, through TradeMark East Africa, DFID is not just supporting light manufacturing and trade and tariff negotiations, but reducing delays at borders and investing in infrastructure. Of course, most importantly, we will be providing tariff-free access to the least developed countries in the world after Brexit.

Ian C. Lucas (Wrexham) (Lab): School students from Lesotho are visiting Wrexham this week for the 11th year as a result of building on global school partnerships. Why is Lesotho excluded from the list of countries that the Department is supporting, which the Minister gave earlier?

Rory Stewart: This is a very good challenge. This is partly to do with Lesotho's economic status, as DFID has tended to concentrate on the poorest countries in the world. However, we take the current difficulties in Lesotho very seriously, and I hope to visit it in the near future to look directly at this issue.

Stephen Crabb (Preseli Pembrokeshire) (Con): One practical way to promote development in Commonwealth countries is through DFID's procurement, so will the Minister examine ways to increase procurement with businesses in developing countries to strengthen the private sector there and increase employment growth?

Rory Stewart: Procurement is central to the Secretary of State's reforms in DFID. She has made open and transparent procurement, and a suppliers review run by my right hon. Friend Lord Bates, central to how we take this forward, and of course that is right. Getting procurement right can help not only businesses, but the poorest people in the world.

Dr David Drew (Stroud) (Lab/Co-op): Does the Minister accept that there are many places in the Commonwealth where conflict is still ever present? Will he assure me that DFID will never cut back on moneys for peace and reconciliation before we even get to the opportunity of development?

Rory Stewart: Conflict is probably the biggest single driver of economic catastrophe, poverty and refugees in the world. We will continue to commit half our budget to fragile and conflict-affected states, because without peace there can be no development.

Topical Questions

T1. [901241] **Kelvin Hopkins** (Luton North) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for International Development (Priti Patel): Over the next five years, the UK is providing £175 million in life-saving humanitarian aid to the Democratic Republic of the Congo, where political insecurity and increasing violence are forcing people to flee their homes.

Kelvin Hopkins: Sustainable development goal 4 focuses on inclusive and quality education for all, but a recent joint report by Leonard Cheshire and the UN Girls' Education Initiative has found that girls' education, especially of those with disabilities, is being overlooked in many developing countries. Will the Government

seek to advance this SDG with the utmost vigour to ensure equal educational opportunities for all across the world?

Priti Patel: The hon. Gentleman is absolutely right about the value and importance of girls' education around the world. DFID and the UK Government lead in this area. We have encouraged, through the UN and other international bodies, other countries to step up, and of course we will continue to do that.

T2. [901242] **Jeremy Lefroy** (Stafford) (Con): What action does my right hon. Friend believe is necessary to counter the rise in resistance to antimalarial drugs in south-east Asia? In the past 17 years, we have seen much progress on reducing incidences of malaria around the world.

The Minister of State, Department for International Development (Alistair Burt): My hon. Friend is absolutely right that tackling malaria saves lives. It has a positive impact on improving health services for the poor and increases economic growth and productivity in affected countries. In April 2017, the UK announced that we would protect more than 200 million people from the pain and disfigurement caused by diseases such as malaria. I was at a conference addressing this subject in Berlin last week. Dealing with antimicrobial resistance will play an integral part in ensuring that drugs remain effective and that the UK remains a world leader in tackling malaria.

Mr Speaker: The Minister is a well-travelled fellow.

T3. [901243] **Alan Brown** (Kilmarnock and Loudoun) (SNP): The village of Khan al-Ahmar and its aid-funded school remain under the threat of demolition. The international community has stood by while other aid-funded structures have been demolished. When will action be taken—when will Israel be billed for the demolitions?

Alistair Burt: The UK continues to make representations on demolitions in the west bank and ensures that Israel understands the relationship between the UK and funding. We support efforts to bring to the notice of the Israeli authorities the legal arguments against demolitions, and we will continue to do so.

T5. [901245] **Mims Davies** (Eastleigh) (Con): Oxfam marked its 75-year anniversary earlier this month. I am proud of the work that British charities such as WaterAid, which was founded here in 1981, are doing around the world. Will the Minister outline what the Government are doing to support charities' excellent work on campaigns for women and girls to have a safe and private place, as they come of age, to keep themselves clean?

Priti Patel: My hon. Friend is absolutely right, because DFID and Britain are working with many partners, including WaterAid. I pay tribute to this country's great non-governmental organisations that provide wash and sanitation facilities for women and girls around the world, and protect their health and wellbeing. I pay tribute to what my hon. Friend and other Members are doing to work with them.

T4. [901244] **Kate Green** (Stretford and Urmston) (Lab): DFID is prioritising getting humanitarian aid to the Rohingya Muslim refugees in Bangladesh, but will the Secretary of State say what she is doing to ensure that priority is also given to medical aid, including the psychological therapies that will be desperately needed for those very damaged people?

Priti Patel: Of course, the medical aid and support that is going in is critical, because there are cases involving children, and parasites and diseases have really taken hold. Psycho-social care is now being put in place through many of the partners that I met just last week, including the Disasters Emergency Committee and other aid charities. A great deal of work is taking place, but there is much more to do in the light of the hundreds of thousands of people who are currently fleeing for their lives.

Vicky Ford (Chelmsford) (Con): Many British scientists are leading collaborative research projects with partners around the world on diseases such as malaria, tuberculosis and HIV. Does the Minister agree that it is important that Britain continues to collaborate on science and research after we leave the EU?

Alistair Burt: As my hon. Friend would imagine, that is extremely important. From talking in Berlin last week to colleagues from throughout the EU and elsewhere about research collaboration, I was left in no doubt that those involved in the research and science community see every chance that we will continue to co-operate internationally, whether or not we remain in the EU.

T6. [901246] **Wes Streeting** (Ilford North) (Lab): In its recent assessment of conditions in Cox's Bazar, the International Rescue Committee found unprecedented levels of sexual violence against women and girls, and that 50% of pregnant women were not receiving the medical treatment they need. Will the Secretary of State tell us who will attend the critical conference in Geneva next week? Will she commit to mobilising the resources needed not only from DFID, but from international partners, to get these people the help that they need?

Priti Patel: The hon. Gentleman is right to raise maternal health and protection for women, girls and children. We are working with the UN agencies, including the Office for the Co-ordination of Humanitarian Affairs, to make sure that child protection and the protection of women feature heavily in their work and at next week's meeting. Officials are attending next week, and it is important to say that Britain has led the way in calling out these issues and providing resources to the agencies that are delivering on the ground so that they can protect women and children.

Tom Pursglove (Corby) (Con): We should rightly be proud of the enormous holistic contribution that the UK has made in responding to the Syria crisis, but what effort has been made in parallel? What credit does my right hon. Friend give to the charitable effort that has taken place and what has it achieved?

Priti Patel: My hon. Friend is right to make a point about the charitable contribution that has been made across the United Kingdom to all the aid efforts for Syrian refugees. There are many examples of that happening in which we have all been involved. The situation continues

to deteriorate, and DFID and the Government continue to provide all the support that is needed. Through our aid match scheme, we are providing help directly to many of the charities, as well as contributing to the relief effort.

Mr Speaker: I call Tracy Brabin. Not here—another time.

T8. [901248] **Deidre Brock** (Edinburgh North and Leith) (SNP): A recent reply to a written question stated that nearly 11% of the aid budget is managed through the EU. Will the Secretary of State tell us what concrete plans she has to ensure that that money is properly used after Brexit?

Priti Patel: The hon. Lady is right to point out that we make contributions through other organisations, particularly the European Union. After Brexit, we will ensure that that money is not only spent accountably and in a transparent way, but doing exactly what it is there to do: serving the world's poorest and providing relief to those people who desperately need that aid support.

Mr Marcus Fysh (Yeovil) (Con) *rose*—

Mr Speaker: I would not want the hon. Gentleman to think that he was out of the water.

Mr Fysh: Thank you, Mr Speaker. What access can my right hon. Friend give to her Department's procurement programme for innovative, UK-built food aid drones?

Priti Patel: I thank my hon. Friend for highlighting the opportunity for DFID and the Government to use technology to provide much-needed food aid relief around the world, such as in refugee camps and crisis zones. Our procurement system has now changed. We are working with a range of suppliers to ensure that we can get the innovators to the Government to deliver the support that is needed.

Several hon. Members *rose*—

Mr Speaker: Order. Khadija Arib, the President of the Dutch House of Representatives, is joining us in Parliament today. I know that colleagues will wish to extend the warmest of welcomes to my Dutch counterpart. I thank her for being here.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [901211] **Ms Esther McVey** (Tatton) (Con): If she will list her official engagements for Wednesday 18 October.

The Prime Minister (Mrs Theresa May): I am sure that Members throughout the whole House will wish to join me in marking Anti-Slavery Day. Slavery is an abhorrent crime and I am determined to bring it to an end.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Ms McVey: Will the Prime Minister reaffirm her Government's commitment to the northern powerhouse? Will she set out the specific schemes—*[Interruption.]*

Mr Speaker: Order. The right hon. Lady has never been silenced and, as far as I am concerned, she never will be.

Ms McVey: Thank you, Mr Speaker. The importance of the north will be heard.

Will the Prime Minister set out the schemes that she seeks to prioritise, and does she agree that the only norths that are in tune with the Leader of the Opposition's political correctness and Marxism are Islington North and North Korea? *[Interruption.]*

Mr Speaker: Order. We have 32 questions to get through and I want to hear the Prime Minister's answer. I ask colleagues to contain themselves.

The Prime Minister: My right hon. Friend referred to the voice of the north being heard, and it has indeed been heard by the Conservatives in government. It is a Conservative Government who committed—and remain committed—to the northern powerhouse, and it is a Conservative Government who are putting investment into skills and transport infrastructure for the northern powerhouse. We are backing business growth across the north, as I saw when I visited the north-west last week. We are putting £60 million into Transport for the North for looking at northern powerhouse rail; that is part of £13 billion of infrastructure investment. It is the Conservatives in government who recognise the importance of a country that works for everyone and of growth across the whole country.

Jeremy Corbyn (Islington North) (Lab): I join the Prime Minister in recognising Anti-Slavery Day. The slave trade was one of the most grotesque times in the history of this planet and we must all be resolved to drive out slavery in any form whatsoever. I hope that the Prime Minister will join me in expressing sympathy to, and solidarity and support for, the people of Somalia following the horrific terrorist atrocity in Mogadishu last weekend.

I welcome today's fall in unemployment—*[Interruption]*—but the same figures show that real wages are lower today than they were 10 years ago. Most people in work are worse off. Does the Prime Minister really believe that falling wages are a sign of a strong economy?

The Prime Minister: I join the right hon. Gentleman in expressing our concern about the terrible terrorist attack that took place in Mogadishu, killing nearly 300 people and injuring many hundreds. Terrorism in Somalia undermines the stability of the horn of Africa. We will continue to work with the international community to try to bring stability to Somalia and that part of Africa. Of course, an aspect of that involves dealing with the terrorist threat that people face there.

The right hon. Gentleman might have done a first in the House of Commons today, because I think this is the first time—certainly since I became Prime Minister—that he has actually welcomed a fall in unemployment. It is good news that more people are in work and that

unemployment is at its lowest rate for more than 40 years. That means that people are taking more money in wages to their families.

The right hon. Gentleman asks about the cost of living. I will tell him what we have done in relation to that. Some 30 million people have been given a tax cut that is worth £1,000 to a basic rate taxpayer every year. We have given the low-paid the highest pay increase for 20 years through the national living wage. For those who take the full entitlement, the doubling of free childcare is worth £5,000 per child per year to every family. That is what we are doing to help people with the cost of living.

Jeremy Corbyn: I wonder whether the Prime Minister could do a first—answer a question. The question I asked her was about falling wages. Christine, a worker in a village shop, wrote to me this week to say:

"I am worse off. I cannot afford to keep my car, which I struggled to buy, on the road. I need my car to attend appointments, job hunt for a better position, and take my son to activities. We don't have a luxurious lifestyle and don't want one. We just want to feel secure."

When millions of workers are having to rely on the benefits system just to make ends meet, is not that a sign of not a strong economy, but a weak economy?

The Prime Minister: I have recognised since I came into this role that there are people in this country, like Christine, who are finding life difficult. That is why it is so important that the Government take steps to help people with the cost of living—the costs they find themselves facing week in, week out. It is why the measures that I just listed to the right hon. Gentleman, including tax cuts and the national living wage, are important, and it is why it is important that we have frozen fuel duty. We have ensured that we take some of the lowest paid people out of paying income tax altogether. We are going to introduce an energy price cap—*[Interruption.]* Yes. It is all about helping people with the cost of living, but you can only do that if you have a strong economy, and you only get a strong economy with a Conservative Government.

Jeremy Corbyn: People struggling to make ends meet; private sector rental evictions up; wages down; universal credit in a shambles. Is Christine wrong or is she just an example of what it is like to live in modern Britain?

Last week, I asked the Prime Minister to scrap the unfair charges on the universal credit helpline. Today she has finally bowed to that pressure, but the fundamental problems of universal credit remain: the six-week wait, rising indebtedness, rent arrears and evictions. Will the Prime Minister now pause universal credit and fix the problems before pressing ahead with the roll-out?

The Prime Minister: Yes, it is absolutely right—[HON. MEMBERS: "Hooray!"]

Dawn Butler (Brent Central) (Lab): Sit down now!

Mr Speaker: Order. I have said before to the hon. Member for Brent Central (Dawn Butler) that, as an aspiring stateswoman, she must conduct herself with due decorum. Calm—perhaps she is another Member who should take up yoga.

The Prime Minister: I suggest that Opposition Members listen to the whole sentence.

Yes, it is absolutely right that we have announced this morning that we will change the telephone charge. I said last week that we were listening to a number of proposals that have been made—we have done that. It is right to do this now because there is a lot of emphasis and a lot of publicity about universal credit at the moment, and I want people to know that they can ring in and get advice without being worried. That is exactly what we are going to do.

The right hon. Gentleman talks about universal credit and pausing it. Why have we introduced universal credit? It is a simpler system. It is a system that encourages people to get into the workplace. It is a system that is working, because more people are getting into work. Pausing universal credit will not help those people who would be helped by moving to universal credit, getting into the workplace and bringing home more pay for their families.

Jeremy Corbyn: There is a very long list of people urging the Prime Minister to pause universal credit, including Citizens Advice, the Trussell Trust, John Major and, I understand, two dozen of her own Back Benchers, who have a chance this afternoon to vote to pause universal credit and show that they are representing their constituents.

The public sector pay cap is causing real suffering and real staff shortages. Last week, the Health Secretary announced that the NHS pay cap was scrapped, but when asked if the NHS was going to get extra money to fund any agreed pay rise, he replied:

“That is something I cannot answer right now”.—[*Official Report*, 10 October 2017; Vol. 629, c. 163.]

Well, this is right now, and the Prime Minister is here right now. How about an answer right now?

The Prime Minister: As I have explained to the right hon. Gentleman and the House in the past, the way in which we approach the whole question of public sector pay is through the work of the pay review bodies. They have all reported for the current year, and they did their work against the remit set by the Government of a blanket cap of 1% on public sector pay. For the 2018-19 year, we have changed that remit to ensure that there is flexibility in the system for that period.

Perhaps I could just explain something else to the right hon. Gentleman, because I fear that for all his years in Parliament there is one thing that he has failed to recognise—Government has no money of its own. Government gets money—[*Interruption.*]

Mr Speaker: Order. Mr MacNeil, you are becoming over-excitable again, young man. Calm yourself. There is no need for excessive gesticulation; it serves no useful purpose whatsoever. Let us hear the Prime Minister's reply. The Prime Minister will be heard, however long it takes.

The Prime Minister: Government has no money of its own. It collects money in taxes from businesses and people to spend on the NHS and on the services that people need. If businesses are not being set up, if businesses are not growing, and if people are not in work, Government does not have the money to spend on NHS pay, on schools, and on hospitals. Of course,

the only way we ensure that those businesses are growing, and the only way we ensure that people are in jobs and that Government has the money to spend on schools and hospitals and NHS pay, is with a Conservative Government.

Jeremy Corbyn: The Prime Minister seemed to have no problem finding £1 billion in a couple of days for the DUP. She needs to make it clear to the NHS workers what pay rise is being offered, when they will receive it, and what funding is being provided—and what cuts she is proposing to make elsewhere in order to deal with that.

Young people are in record levels of debt. This week, the Financial Conduct Authority warned of

“a pronounced build-up of indebtedness amongst the younger age group”

to fund “essential living costs”. Is not this yet another sign not of a “strong economy” but of a weak economy?

The Prime Minister: I have to say to the right hon. Gentleman that we have heard from the OECD that the deficit that the Labour Government left us was unsustainable. Since then, we have indeed found money for the people of Northern Ireland. We have also found, as I explained earlier, £20 billion to give a tax cut to 30 million people and £38 billion to freeze fuel duty. That is about helping ordinary working people, day in and day out. When it comes to students and young people and their fear about debt, there is one thing we know, and that is that we should not be racking up debts today, like Labour proposes, that those young people would have to pay off tomorrow.

Jeremy Corbyn: It is very interesting that the Prime Minister talks about what happened 10 years ago. Her former friend George Osborne said earlier this week:

“did Gordon Brown cause the sub-prime crisis in America? No.”

He went on to say that “broadly speaking” the Government “did what was necessary in a very difficult situation”.

Under this Prime Minister, we have a weak economy. UK growth is currently the worst among the 10 largest EU economies. We are the only major economy where wages are lower today than they were 10 years ago. Even without the risks posed by this Government's bungled Brexit negotiations—it is very interesting to see that the Home Secretary is necessary to keep the two protagonists apart—we now have weak growth, falling productivity, falling investment, and falling wages. How does the Prime Minister have the nerve to come here and talk about a “strong economy” when the figures show the exact opposite?

The Prime Minister: I have to say to the right hon. Gentleman that the OECD says about the United Kingdom that we have the most efficient, accessible healthcare system, that fiscal sustainability has improved, that important steps have been taken to improve educational outcomes, and that jobs and earnings are good. That is what the OECD says about the strong economy under this Conservative Government. The way to get a weak economy is to borrow £500 billion like the Labour party is proposing. The way to get a weak economy is to ensure that you are promising spending after spending after spending and people are going to have to pay for that. The only way we get money to put into public

services, and the only way we can give people tax cuts to help them with the cost of living, is to ensure that we deal with the deficit, get our debts down, and deal with Labour's great recession which put us into this position in the first place.

Q5. [901215] **Luke Hall** (Thornbury and Yate) (Con): Following the rather flaccid response from the Leader of the Opposition, may I welcome the announcement that the Government are scrapping the universal credit helpline charges—a move that demonstrates that the Government are supporting people who want to get up, work hard and get on in life? Can the Prime Minister now confirm that all welfare claim DWP helplines will be completely free to all claimants?

The Prime Minister: I am very happy to confirm that, and it is useful to be able to do so. My right hon. Friend the Work and Pensions Secretary announced this morning that we have taken the decision to change the universal credit helpline to a freephone number. I can also tell my hon. Friend that by the end of the year, DWP will extend freephone numbers to all its phone lines. I think that that will be welcomed and will be helpful to all who use them.

Ian Blackford (Ross, Skye and Lochaber) (SNP): Will the Prime Minister do today what her Brexit Secretary was unable to do in this Chamber yesterday and rule out a no deal scenario on leaving the EU?

The Prime Minister: I can confirm that what we are doing is working for the best possible deal for the United Kingdom, but it would be irresponsible of Government not to prepare for all possible scenarios, and that is exactly what we are doing.

Ian Blackford: May I point out to the Prime Minister what her Home Secretary said yesterday—that a no deal scenario is “unthinkable”? I agree with the Home Secretary. Brexit has contributed to a fall in the pound and a subsequent rise in inflation, squeezing household budgets. Folk are getting poorer in Britain today. It has been reported that Government analysis shows that Scotland and the north-east of England would lose out from breakfast—I mean Brexit—but the Government responded to an FOI by saying that such analysis—*[Interruption.]* Well, there is hilarity on the Government Benches—

Mr Speaker: Order. A Government Whip from Staffordshire is forgetting his manners. He is gesticulating rather noisily, and he should calm himself. Let us hear Mr Blackford.

Ian Blackford: Members on the Government Benches are engaging in hilarity, but the reality is that the people of this country are going to pay an economic price for a hard Brexit. The Government analysis, which has remained secret, points out that people in Scotland and the north-east of England will suffer from a hard Brexit. What is the Government's analysis of the impact and what will be the impact—*[Interruption.]*

Mr Speaker: Order. I must tell the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) that I know what I am doing. I am trying to help the right hon. Member for Ross, Skye and Lochaber (Ian Blackford),

but he must help himself by asking a brief question. *[Interruption.]* Order. I think the right hon. Gentleman has completed his question.

Ian Blackford indicated dissent.

Mr Speaker: No? A last sentence, but it had better be very brief. The question has been far too long. Come on—quick, quick.

Ian Blackford: What is the Government's analysis of the impact of Brexit on a no deal scenario?

The Prime Minister: Once again, the right hon. Gentleman stands up and talks about the Scottish economy and makes reference to issues such as jobs in Scotland. I am sorry that in his rather lengthy question he did not make any reference to the fact that since 2010, nearly a quarter of a million more people in Scotland are in work. That is the result of the actions of this Government.

Mr Speaker: Now we are going to hear Back Benchers. Back Benchers in this place must be heard.

Q10. [901221] **Martin Vickers** (Cleethorpes) (Con): As the Prime Minister pointed out in answer to the first question, the northern powerhouse initiative has done a great deal to help the economies of northern areas. But our coastal communities are desperately in need of further investment and support. In north-east Lincolnshire we have established a private sector-led project board that benefits from the expertise of its members, who include a former Chancellor and a former head of the civil service. Could the Prime Minister give her support to the initiative for a town deal for north-east Lincolnshire, which might provide a model for other areas?

The Prime Minister: I am grateful to my hon. Friend for raising this, and I recognise and understand that ambitious regeneration plans are being developed by the Greater Grimsby project board. I welcome that because it is based on a very strong private-public sector approach and partnership that is being put forward, and I know my hon. Friend is himself playing an active role in that. I believe there have been some positive meetings with my right hon. Friend the Communities Secretary and my hon. Friend the Northern Powerhouse Minister, and I would encourage the board to continue engagement with officials about the details of their plans.

Q2. [901212] **Rachel Reeves** (Leeds West) (Lab): At the general election, both main parties committed to an energy price cap and the Government have now published a Bill for which I believe there is strong cross-party support, so will the 14 million customers on standard variable tariffs actually see their energy prices come down this winter, and if not, when will the Prime Minister get on the statute book legislation to ensure that this is the last winter when customers can be ripped off by their energy company?

The Prime Minister: I welcome the fact that the hon. Lady says she and others on the Labour Benches will support the legislation that the Government have—*[Interruption.]* No, it was not. It is important that we

take action to deal with energy prices: the draft legislation will see those rip-off prices being capped for millions of households—all standard tariff customers—and while this will initially run to 2020, we will be able to extend it on an annual basis until 2023, on the advice of Ofgem. I think we have sent an important message to the industry, which I would hope is actually going to make changes even before we get the legislation on the statute book.

Fiona Bruce (Congleton) (Con): Does the Prime Minister share the great concerns that were expressed in this House yesterday, including by Ministers, about the implications for the one country, two systems principle in Hong Kong of the recent refusal of the authorities there to allow Ben Rogers, a UK national, entry? Will the Prime Minister confirm that the Government will work with the Hong Kong and Chinese authorities to ensure that the democratic freedoms in the one country, two systems principle are honoured and preserved?

The Prime Minister: My hon. Friend is absolutely right that we want to ensure that the principle of one country and two systems is preserved and continues to operate. On the specific case and the specific issue that she has raised, my right hon. Friend the Foreign Secretary informs me that the Foreign Office has raised this issue at various levels in relation to Hong Kong and China, and we will continue to do so.

Q3. [901213] **Margaret Greenwood** (Wirral West) (Lab): I refer Members to my entry in the Register of Members' Financial Interests. People in my constituency, many of whom work at Vauxhall's Ellesmere Port plant, are devastated by the announcement of 400 job losses this week. PSA stated that clarity on the UK's future trading relationship with the EU was needed before the company would be in a position to consider future investment at Vauxhall. Cabinet Ministers have plenty to say to each other about Brexit, but what have the Government got to say to the 400 workers at Vauxhall Ellesmere Port, who face losing their jobs in the run-up to Christmas?

The Prime Minister: Of course, we never want to see people in the position of losing their jobs, and if people do lose their jobs, support is available to them through the DWP to help them to get back into the labour market and to get back into work. We are in the process of a negotiation on Brexit. We will leave the European Union in March 2019, and we are negotiating for the best possible deal we can get for the United Kingdom. We have also indicated that we want an implementation period after that deal has been negotiated to ensure that businesses do not face a cliff edge but can have certainty about the rules under which they are going to operate in the future. If there is one thing that is certain it is that we will leave the EU in March 2019.

Mr Richard Bacon (South Norfolk) (Con): Given that the Self-build and Custom Housebuilding Act 2015 is now on the statute book—it is a very good piece of legislation—will the Prime Minister confirm that the community home building fund, available last year for group housing projects, is still available, and does she agree that providing service plots of land at scale is a good way to fix our broken housing market?

The Prime Minister: My hon. Friend has raised an important point. I know that he has campaigned long and hard on the particular area of self-build and of course has a great deal of expertise in it. He is absolutely right: if we are going to fix our broken housing market, we do need to build more homes. That is why we have made bold proposals in our housing White Paper—to make more land available, to build homes faster and to give local authorities the tools they need. I had a roundtable with house builders and others earlier this week, looking at how we can ensure that we unlock the potential of our housing market. I am sure my right hon. Friend the Communities Secretary will be happy to discuss with him the very specific issues that he has raised.

Q4. [901214] **Ruth George** (High Peak) (Lab): Prime Minister, you said that universal credit is working. I wonder what you would say to my constituent, Fred, who claimed universal credit for a short time more than two years ago and has been working ever since, but suddenly got a letter in August demanding that he repay £366. Despite spending hours on the phone line, Fred was not told why he was being charged, and more than £100 a month was taken out of his wages, meaning that he incurred bank charges. Will you take personal responsibility so that no more claimants suffer injustice and debt, as Fred has?

Mr Speaker: I will take no responsibility for those matters myself, and the hon. Lady will be advised on the protocol, but the Prime Minister may wish to respond.

The Prime Minister: As I have indicated, changes have been made to the phone line. I repeat to the hon. Lady that the evidence shows that on universal credit, more people are getting into the workplace than on jobseeker's allowance. Universal credit is about helping people get into the workplace and ensuring that, as they earn more, they keep more of what they earn. That is exactly what universal credit does.

David Tredinnick (Bosworth) (Con): Is my right hon. Friend aware of the wonderful work at Twycross zoo in my constituency, breeding endangered species? Is she also aware of the critical problem of the demise of African elephants, which are being slaughtered at the rate of 20,000 a year? What will she do about banning ivory sales in London?

The Prime Minister: My hon. Friend raises an important point, and I commend those in his constituency who are doing that valuable work. Earlier this month, we set out proposals for a ban on ivory sales that we believe will help bring an end to poaching elephants. That would put the UK front and centre of global efforts to end the trade in ivory. I am sure that Members across the House are concerned about that issue. Ivory should not be seen as a commodity for financial gain or a status symbol. I think our proposals will make a real difference.

Q6. [901216] **Laura Pidcock** (North West Durham) (Lab): Universal credit is not just a benefit for jobseekers; it is for people in work to subsidise their low pay, for carers and those who cannot work. My constituents have endured the brunt of austerity for many years. Now the Department for Work and

Pensions proposes to roll out the universal credit system in my constituency over Christmas—the toughest financial time for people. My question to the Prime Minister is this: is the roll-out a matter of gross incompetence or calculated cruelty?

The Prime Minister: The DWP has been rolling out universal credit. As it has done so, it has listened to the concerns that have been raised. I am pleased to say that we are seeing a much better performance from the DWP.

Laura Pidcock *indicated dissent.*

The Prime Minister: It is no good the hon. Lady shaking her head. The figures show that the performance in getting payments to people on time has improved substantially—more people are getting advance payments. We want to ensure that all those who need advance payments can get them. The fundamental reason for moving to universal credit—a simpler, more straightforward system—[*Interruption.*] The hon. Lady may not want to listen, but there is a reason for universal credit. [*Interruption.*]

Mr Speaker: Order. Colleagues know that I am determined to get through the list to help Back Benchers, but when questions are asked, the answers must be heard. Today is exceptionally noisy, and we are not setting a very good example to our Dutch friends. I am sure that they do it much better. The questions, and the Prime Minister's answers, will be heard.

The Prime Minister: Finally, I would simply say to the hon. Lady that the purpose of universal credit is to have a more straightforward, simpler system that helps people to keep more as they earn more and encourages more people into work. That is what it does.

Victoria Prentis (Banbury) (Con): It is great to have the Prime Minister back in her usual fine voice. Will she join me in encouraging Members, who have demonstrated what good voices they have, to hold events in their constituencies for Singing for Syrians? The situation on the ground in Syria gets ever more desperate, and I am sorry to say that the Hands Up Foundation, which does great work, has an ever increasing list of prosthetic limbs that are needed.

The Prime Minister: I think we all recognise the desperate situation in Syria, which is why we continue to be proud of our country's record of giving humanitarian aid to Syria and to refugees from Syria: £2.46 billion has been committed since 2012, our largest ever response to a humanitarian crisis. I am very happy to join my hon. Friend in encouraging Members of this House to support the Singing for Syrians initiative and various events throughout the country. This is another important initiative focused, as is our humanitarian aid, on helping those people who are in a desperate situation in Syria.

Q7. [901217] **Lilian Greenwood** (Nottingham South) (Lab): Notts fire service tells us that sprinklers save lives. Nottingham City Council plans to retrofit sprinklers in all its high rise blocks, but the Government will not provide a penny to support it. After Grenfell, the Prime Minister promised:

“We cannot and will not ask people to live in unsafe homes”—[*Official Report*, 22 June 2017; Vol. 626, c. 169.]

How safe would she feel living on the 20th floor of Pine View or Southchurch Court in my constituency with one staircase and no sprinklers?

The Prime Minister: Since Grenfell, much has been said in this House about sprinklers. There are a number of aspects that have to be looked at in relation to the safety of tower blocks. It is not the case that sprinklers are the only issue that needs to be looked at or addressed; nor is it the only solution to ensuring their safety. On expenditure by the hon. Lady's local council, it is of course up to the council to make decisions about what it wishes to do. We have been very clear that discussions have taken place with the Department for Communities and Local Government and local authorities.

Robert Courts (Witney) (Con): The mental health of our servicemen, servicewomen and their families is rightly gaining the attention it deserves. Will the Prime Minister join me in welcoming the initiative between the Royal Foundation and the Ministry of Defence to ensure targeted support across the whole armed forces family?

The Prime Minister: I am very happy to welcome the initiative to which my hon. Friend refers. We know we need to address mental health more carefully and with greater attention across the public in general, but mental health concerns for those in the armed forces and those who have left the armed forces are a very real challenge that we need to face, because they have put themselves on the line for us and we owe it to them.

Q8. [901218] **Dr Alan Whitehead** (Southampton, Test) (Lab): A major Southampton housing association tells me that 65% of its tenants who are on universal credit are now in rent arrears averaging £700, hampering the association's ability to get on with building new houses. What message does the Prime Minister have for my local housing association? Is it just “Tough, get on with it”, or has she got something more positive to say?

The Prime Minister: We are indeed giving support to housing associations to build more homes. That is why, a couple of weeks ago, we announced that an extra £2 billion will be going to housing associations to enable them to do exactly that.

Sir David Amess (Southend West) (Con): Does my right hon. Friend agree that with the death of Sir Teddy Taylor the country has lost an outstanding parliamentarian, a great constituency Member of Parliament and a true patriot? Does my right hon. Friend further agree that if Sir Teddy were alive today he would be delighted to learn that the outgoing Labour mayor of Southend, plus three unaligned councillors, have all joined the Conservative party?

The Prime Minister: I join my hon. Friend in recognising the great contribution Sir Teddy Taylor made in his time in this House as a Member of Parliament for different seats, including Southend, although I have to say to my hon. Friend that one of my abiding memories of Sir Teddy is the number of times we had to evacuate Portcullis House because he had set the fire alarm off by smoking where he was not supposed to—in his office. I am very pleased to welcome the former Labour mayor and the unaligned councillors who have now

joined the Conservative party. We welcome them to the Conservative party and look forward to working with them.

Q9. [901220] Julie Cooper (Burnley) (Lab): Government failure to fund schools adequately is hurting children in my constituency. Lancashire schools will lose £40 million of funding and 828 teachers by 2020. Will the Prime Minister explain how this will help raise standards and aspirations?

The Prime Minister: I will tell the hon. Lady what is helping with standards and aspirations: first, the record funding that the Government are putting into our schools, and secondly, our reforms to the education system which mean already that over 150,000 children are at good or outstanding schools in her area, which is an increase of nearly 40,000 since 2010. More children are in good or outstanding schools—that is what the Government are providing.

James Cleverly (Braintree) (Con): Earlier this year, I opened a state-of-the-art manufacturing training facility at Braintree's further education college. On Friday, I opened a new training centre for Contracts Support Services, a family-run business. Now that unemployment is at a record low and employment at a record high, will the Government commit to supporting both public and private sector trainers to increase productivity in the British economy?

The Prime Minister: My hon. Friend is absolutely right. Increasing productivity is a key aim of our Government—it is very important for the economy and the future—and investing in skills is a key part of that. I am pleased to hear that he has been so active in opening new facilities in his constituency. The changes we are making—our support for FE colleges, the new T-level, the emphasis we are putting on technical education and the £500 million we are putting into it—will all help to increase the skills levels of young people in this country.

Q11. [901222] Joan Ryan (Enfield North) (Lab): Trust for London's latest property profile shows that levels of homelessness in Enfield have risen by 82% in the last two years alone and that the eviction rate is the highest in the capital. What hope can the Prime Minister give to those of my constituents who are in work in the private rented sector that they can achieve their reasonable aspiration for themselves and their children to live in a safe, secure and affordable home?

The Prime Minister: I will tell the right hon. Lady what hope we are giving to people. It was precisely why I sat with house builders, housing associations and others in No. 10 Downing Street earlier this week—to encourage a faster rate of building houses and homes in this country so that more people can reach their aspiration of having a safe and secure home—and it is why we are putting £500 million over a period of years into dealing with homelessness. It is all very well, however, her standing up in the House and asking the Government what they are doing. We are putting more money into house building. She should ask the Labour Mayor of London what he is doing.

Lucy Frazer (South East Cambridgeshire) (Con): Yesterday, the director general of MI5 said that internet companies had an ethical responsibility to deal with

terrorist material online. The Prime Minister has previously indicated that if they do not meet this challenge she will consider regulation. Will she confirm that if regulations are necessary they will be robust and enforced?

The Prime Minister: I am very happy to give my hon. and learned Friend that confirmation, but there is work to be done before we get to that stage. My right hon. Friend the Home Secretary has done important work, for instance, with the tech companies, which have come together and formed a global forum looking at how to deal with terrorist material on the internet. It is a real issue that we need to address. I was pleased to hold an event on exactly this issue with President Macron and Prime Minister Gentiloni at the margins of the UN General Assembly this year attended by representatives of more than 70 countries and representatives of all the major tech companies. We need to work together, but I want those tech companies to recognise their social and moral responsibility to work with us to do something about this material.

Q12. [901223] John Mc Nally (Falkirk) (SNP): Does the Prime Minister notice that I am wearing a red card in my pocket today? She will be aware that the hon. Member for Moray (Douglas Ross) is not in his place. Indeed, he is in Barcelona doing his other job—today of all days. What signal does she think this sends to hard-working members of the public who are expected to turn up for their day jobs or face sanctions?

Mr Speaker: Order. I trust that the hon. Gentleman notified the hon. Member for Moray (Douglas Ross) in advance of his intention to raise this question.

John Mc Nally *indicated assent.*

Mr Speaker: I am grateful to the hon. Gentleman for that confirmation.

The Prime Minister: Let me say to the hon. Gentleman that I think the constituents of Moray will be very pleased that they have a Conservative Member of Parliament who is looking after their interests in the House. Let me also say to him that the Scottish Conservative Members are doing more for the interests of Scotland in this Parliament than the Scottish nationalists have ever done. *[Interruption.]*

Mr Speaker: Mr Spencer, what is the matter with you? My dear fellow! You eat home-produced food, you are a very respected farmer, and you are normally of a most taciturn disposition. I do not know what has come over you. Perhaps you should go and have a rest later. You must cheer up. Cheer up!

Philip Davies (Shipley) (Con): Along with the Scottish National party, the Labour party has said that it will not accept no deal with the European Union in any circumstances. That means that Labour will pay whatever final bill the EU demands, and accept any conditions on which it insists. Does the Prime Minister agree that no one with even an ounce of common sense would enter into a negotiation making such an announcement in advance, and does she agree that the stance proposed by the Labour party and the SNP is not a negotiation, but a capitulation?

The Prime Minister: My hon. Friend has put it very well indeed. We cannot enter the negotiations taking the stance that the Labour party and the SNP have

taken. As my hon. Friend says, their rejection of a “no deal” means that they would accept a deal at any price to the British taxpayer, whatever the damage it would do to our economy, and we will not do that.

Q13. [901224] **Sir David Crausby** (Bolton North East) (Lab): We are seeing the loss of skilled jobs at British Aerospace in Lancashire and more at Vauxhall in Ellesmere Port, as well as redundancies at Austin in Preston and Monarch in Manchester. What has happened to the northern powerhouse? Has its battery gone flat? If so, will the Prime Minister recharge it, as she rightly did in Northern Ireland?

The Prime Minister: As I said earlier to my right hon. Friend the Member for Tatton (Ms McVey), the Government are committed to the northern powerhouse, and, indeed, are putting money into it to encourage economic growth, particularly through our investment in infrastructure. The hon. Gentleman raised a number of cases, and the issue of Vauxhall was raised by one of his hon. Friends earlier. We are continuing to work with Vauxhall throughout the process to do all that we can to protect United Kingdom jobs, as we have done with BAE Systems and as we are doing with others. What matters, however, is ensuring that we have an economy that can enable more jobs to be created, and 3 million more people are in work today than in 2010.

Andrew Selous (South West Bedfordshire) (Con): Respectful and committed family relationships reduce poverty, improve wellbeing, and help the Government to live within their means. They are a key part of a

country that works for everyone. Will the Prime Minister therefore implement the proposals of the recently published family manifesto?

The Prime Minister: My hon. Friend is absolutely right. We are, of course, looking into what more we can do to ensure that we see those stable families, which lead to the benefits that he has described. He has campaigned on this issue since he came to the House, and I welcome the valuable contributions that he has made.

Mr Speaker: Last but never forgotten: Mr Dennis Skinner.

Q14. [901225] **Mr Dennis Skinner** (Bolsover) (Lab): Is the Prime Minister aware that INEOS, the fracking company, has been accused of creating a massive deterioration in the water supply, run by Severn Trent, on the Oxcroft estate in the Bolsover area? Will she, as Prime Minister, investigate this matter, and call on INEOS to halt the process while the investigation takes place?

The Prime Minister: I am sure that the issue will be properly looked into, but underlying it is the question of ensuring that we are able to have a secure and safe supply of energy in the future. That is why the fracking is continuing, and that is why we are supportive of the Shell gas exploration. There are opportunities there for the United Kingdom. As I have said, however, I am sure that the specific issue raised by the hon. Gentleman will be looked into appropriately.

Regulation of Property Agents

12.50 pm

The Minister for Housing and Planning (Alok Sharma):

With permission, I shall make a statement on a call for evidence on protecting consumers in the letting and management agents market.

When our housing White Paper was published in February we committed to taking action to help people already on the property ladder or living in rented accommodation. The Prime Minister has also announced billions of pounds of funding for new affordable homes, including homes for rent. We are also taking action to create a fairer property management system that works for everyone. We have already announced plans to regulate letting agents, including banning fees for tenants, and we have made it clear that we want to see an end to the unjustified use of leasehold in new-build houses.

The time has come to address service charges. As the number of leasehold and private rented homes has grown, the market for managing agents has boomed. According to one estimate, annual service charges alone now total as much as £3.5 billion. While these managers provide an important service, the system in which they work is simply not suited to the modern age. Tenants and leaseholders—even some freeholders on new-build estates—hand over their money and receive services in return, but have little or no say over which agent provides them or at what cost. This matters because, while the majority of agents are honest professionals committed to delivering a high standard of service, a near total lack of regulation has led to the growth of a market where in places standards and safety come second to the pursuit of profit.

We have seen reports of broken windows being repaired with cardboard and sticky tape and of damp and mould simply being painted over. One landlord was billed £500 by his agent for repairing a shower door, while a group of leaseholders were charged 10 times the market rate to have a new fire escape fitted, with the £30,000 contract for the work being handed to the property owner's brother.

People do not need any qualifications, training or experience to call themselves an agent. They do not need a criminal records check. They do not even have to know what a managing agent does. So it is no surprise that some experts believe such agents are overcharging by as much as £1.4 billion every year.

Today, we are setting out plans for fixing the problems in property management. We are publishing a call for evidence which outlines the challenges facing the sector, proposes some possible solutions, and asks for the views of the people who know the market best, from those who work in it to those who pay the service charges.

As part of this new call for evidence, the Government are seeking views on three key elements: first, whether regulatory overhaul of the sector is needed; secondly, measures to protect consumers from unfair costs and overpriced service charges; and, thirdly, ways to place more power in the hands of consumers by giving leaseholders more say over who their agent is.

The sector has done some good work to raise standards already, but there is more to do to professionalise the sector and root out poor practice, and through the call

for evidence we will take views on whether we need an independent regulator to oversee property management. So today the Government are asking everyone who pays service charges and everyone who receives them to share their views on what is wrong and how we can fix it. We want to give power back to consumers, give agents a clear and consistent framework to operate in, and give landlords, renters and leaseholders the confidence they need to know that agents are complying with the rules.

As we build more homes, we need the right people to take care of them. That is why it is important that the Government act to recognise what works in the sector and fix what does not. Today's announcement is about delivering better value and services for tenants, leaseholders, and hard-working people across the country.

The call for evidence will be open for six weeks and is the first step in creating a property management system that works for everybody. I commend this statement to the House.

12.55 pm

John Healey (Wentworth and Dearne) (Lab): My goodness, the Government really are now scraping the bottom of the barrel: an oral statement on a call for evidence about property managing agents—not a statement on the Grenfell Tower fire and why four months on only 14 of 200 surviving families yet have a new permanent home, on bold Government action in the face of home ownership hitting a 30-year low, on rough sleeping doubling, or on the lowest level of new affordable house building for 24 years.

More than 80 Members on both sides of the House want to speak next in Labour's debate on universal credit, yet the House is being held up by the Minister telling us he wants to

"create a fairer property management system that works for everyone."

If Mr Speaker were a football referee, he would book the Minister for time wasting. Where is the hon. Member for Moray (Douglas Ross) when he is needed?

In the face of the country's housing crisis, this is a truly feeble statement. It is not even a commitment to act; it is a commitment to ask some questions. The Government are launching today, the Minister tells us, "a call for evidence". He tells us that he is seeking views on

"whether regulatory overhaul of the sector is needed".

Of course it is: managing and letting agents can set up with no expertise, no qualifications, no registration and no professional body membership. This is a market with no legal regulation, just partial self-regulation. It is a market in which the reputation of the best is dragged down by the worst, and a market in which consumers too often face unfair upfront fees, restrictions on what they can do to their own homes, and a system in which it proves impossible to get problems sorted out.

Better regulation of letting and managing agents has long been a commitment on this side of the House, so the Government's concern now is welcome, but action needs legislation. Therefore, can the Minister confirm when the proposed legislation will be introduced, and when it will come into force? Can he confirm that this "call for evidence" today will not delay still further the announcement the Government made a year

[John Healey]

ago to ban letting agents' fees? When will that legislation be introduced, and when will it come into force? As a result of today's announcement, can the Minister tell us how much on average each leaseholder and private renter will save, and when—oh, when—will he act on the other protections leaseholders and renters need from this Government?

Finally, may I give the Minister his first response to this "call for evidence"? Rather than asking whether or not renters and leaseholders need better protections, will the Government instead act on Labour's proposals to end the building of new leasehold homes and to cap rises in ground rents, and will they back our plan for new consumer protections for private renters, with longer tenancies and a control on rent rises, a ban on letting agents' fees, and new legal minimum standards that all landlords must meet before they rent their homes?

We have a big housing crisis and small thinking from Conservative Ministers. After seven years of failure on all fronts on housing, when will Ministers come to the House and announce a proper plan to fix this country's housing crisis?

Alok Sharma: I have not said this before, but I have enormous respect for the right hon. Gentleman. However, I am extremely sorry that he started his response to the statement with such rancour. There are 4.5 million households renting in the private sector. For them, this absolutely matters—it really does—so I hope he will reflect on how he started his contribution and on the fact that perhaps what we ought to be doing is working together on making this happen. He says we should do it. Of course, and that is precisely what we are doing, but I say respectfully that he was the Housing Minister—why did he not do it?

Let me talk about fixing the broken housing market. The right hon. Gentleman said that we are tinkering. We are not tinkering. He will have seen the work that has been done since the White Paper was published and he knows the announcements that have been made. I recommend to him that, instead of talking to his colleagues in the Labour party, he talks to the social housing sector to ask what it makes of the announcements made at the Conservative party conference—the £2 billion extra and CPI plus 1%. It will tell him that those announcements were a sea change.

I also say to the right hon. Gentleman that, in the work that we are doing, there is finally some joined-up thinking in Government. We have already announced—I am pleased he welcomes this—the ban on tenant fees from letting agents. We will publish the draft Bill very shortly, together with the consultation. He knows that, when it comes to rogue landlords, it has been possible since April to levy civil penalties of up to £30,000, and we are also looking at banning orders. A range of work is ongoing.

The right hon. Gentleman will also know that my right hon. Friend the Secretary of State made an announcement a few weeks ago on measures to help the private rented sector with landlords being required to be part of a redress scheme and housing courts being consulted on incentives to landlords for longer tenancies. We are doing a huge amount of work.

The right hon. Gentleman raised a couple of other points. He asked by how much leaseholders will benefit. He has seen the figures I talked about: £3.5 billion is charged, and some experts say £1.4 billion is overcharging, so if he does the maths he might be able to work it out for himself.

The right hon. Gentleman knows that we have just concluded a consultation on leasehold. I pay tribute to the all-party parliamentary group on leasehold and commonhold reform for all the fantastic work it has done. We have had 6,000 responses—a record—to this consultation, and we agree with him that this is an area that needs fixing, but I hope he will reflect and welcome what we are doing with this call for evidence.

John Redwood (Wokingham) (Con): Does the Minister agree that competition and choice are the best ways to drive standards up and prices down? Will they inform his work to empower tenants and to make the market function better?

Alok Sharma: My right hon. Friend is right. Of course competition is important, but we also need to ensure that there is the appropriate regulation in place to give fairness in the system for those who are renting privately. That is precisely what we are doing with a raft of measures, which I have already outlined, and this call for evidence.

Alison Thewliss (Glasgow Central) (SNP): The statement represents just another consultation on a proposal. People out there in the real world want action, because the problems in the housing sector are well known.

The Scottish Government legislated on this matter back in 2011, through the Property Factors (Scotland) Act 2011. The primary objective was to create a statutory framework to protect homeowners who used factoring services by providing minimum standards for property factors. This came into force in October 2012 and it applies to all residential property and land managers whether they are private sector businesses, local authorities or housing associations. A compulsory register of factors has been operating and registration helps to ensure that property factors are aware of the standards and that they comply with them. It is a criminal offence to operate as a property factor in Scotland if unregistered. Will the UK Government put that into legislation and follow that example?

A code of conduct sets out minimum standards of practice with which all registered property factors are statutorily obliged to comply. There is a route for redress to the Homeowner Housing Panel, which is an independent judicial body separate from Scottish Ministers and from local authorities. Homeowners can apply to the panel if they believe that their property factor has failed to comply with the code of conduct or otherwise failed to carry out their factoring duties.

That is another example of the Scottish National party leading the way for a progressive housing policy in Scotland and of how we are getting on with the day job while the Tories are off refereeing football matches.

Given that the UK Government are six years behind Scotland, will the Minister meet the Scottish Housing Minister, Kevin Stewart, to discuss what is already in operation in Scotland, what is working well, what we are doing and what the UK Government can learn from to represent homeowners across the UK?

Alok Sharma: I recognise that the devolved Administrations, including Scotland, have done work in that area, but this is a call for evidence and it is open to everyone to give their views. That is what we want—a comprehensive call for evidence. I do talk to the Scottish Housing Minister fairly regularly.

Mr Charles Walker (Bromsbury) (Con): Will the Minister meet me and representatives of the three deposit protection schemes and of Shelter to discuss how we can better protect tenant deposits and put tenants in the driving seat when it comes to choosing the scheme that looks after their deposit?

Alok Sharma: Yes, I absolutely will. I know that my hon. Friend has a great deal of knowledge of and experience in this area.

Mr Clive Betts (Sheffield South East) (Lab): When the Select Committee last looked at the issue of the arrangements for the regulation of letting agents, we recommended, simply as a first step, that letting and managing agents should be

“subject to the same regulation that currently governs sales agents.” The Government response at the time was that this would

“impose a new burden on local authorities, increase costs for consumers”.

I welcome the Government’s change of heart, but that Select Committee report was published in 2013—four years ago. A consultation has been proposed, but today we want and need to know when we are going to have some action. Will the Minister commit today to act by a given date on the results of the consultation?

Alok Sharma: I am grateful that the Chairman of the Select Committee has welcomed this call for evidence. I hope that it demonstrates that we are open. He and his Committee should put forward any evidence that they have. As he knows, the consultation will last six weeks, finishing at the end of November. Once we have all the information in from the consultees, we will respond as quickly as we can.

Anna Soubry (Bromsbury) (Con): Rip-off merchants, cowboys and those who seek to exploit often some of the most vulnerable people in our society have no place in a modern Britain, but does my hon. Friend agree that we must not throw the baby out with the bathwater? Lots of agents are thoroughly respectable and good—invariably estate agents who are small, independent, family-run businesses occupying important plots on our high streets. It is important that we do not destroy their businesses, but at the same time ensure that we have a proper system.

Alok Sharma: My right hon. Friend makes an important point, but I point out to her that support for regulation and the call for evidence has been welcomed by the Association of Residential Managing Agents, the Association of Residential Letting Agents, the National Landlords Association, the Residential Landlords Association and the Institute of Residential Property Management. Those are credible organisations and they are calling for reform.

Dr David Drew (Stroud) (Lab/Co-op): Far from what the hon. Member for Bromsbury (Mr Walker) said, will the Minister have another look at the role of

tenancy deposits and the way certain agents do not carry through their legal obligation to ensure that the money is safe? Will he ensure that landlords do not hold money back for ridiculous repair jobs that have nothing to do with the tenants? That is both unfair and a real slur as to how tenants have their money handled.

Alok Sharma: I am sorry if I was not clear, but I will meet my hon. Friend the Member for Bromsbury to discuss precisely those matters. We will of course keep this in mind.

Mary Robinson (Cheadle) (Con): Sorting out service charges once and for all means sorting out the section 20 process. Will the Minister update the House on his Department’s work on that?

Alok Sharma: I am happy to write to my hon. Friend to set out the details on that. More broadly, she should put forward whatever thoughts she has in the call for evidence and we will of course take them very seriously.

Mr Speaker: I encourage the hon. Member for Cheadle (Mary Robinson) to circulate her text book on succinct questions. It would be of great benefit to colleagues.

Justin Madders (Ellesmere Port and Neston) (Lab): My constituents trapped in rip-off leasehold houses now look forward to swift action from the Government following the consultation that has just closed. Turning to this statement, more and more new estates are subject to management fees because developers are not transferring responsibility for common parts to local authorities, meaning that many homeowners are effectively paying twice for the same services. Will the new consultation examine ways of requiring developers to pass on those maintenance functions, which should properly be the responsibility of councils?

Alok Sharma: This is a call for evidence, and right hon. and hon. Members and others should put forward any evidence they have.

Mr Richard Bacon (South Norfolk) (Con): One good way of placing more power in the hands of consumers is to establish and support more mutual housing co-operatives, which work well in Germany and place real power in residents’ hands. Will the Minister consider steps to encourage the establishment of more such co-operatives here?

Alok Sharma: I am happy to meet my hon. Friend to discuss such matters. He knows a great deal about housing, particularly custom-building.

Wera Hobhouse (Bath) (LD): I declare an interest in that I own a property in Rochdale that is managed by an agent. Clamping down on rogue property agents is long overdue, and the consultation is welcome. However, whether regulatory reforms are successful will be entirely down to how well they are enforced. Self-regulation has failed, and local enforcement on the ground is under severe pressure due to public sector cuts. Will the Minister confirm that extra funding will be made available to make the necessary enforcement possible?

Alok Sharma: We have already made £12 million available to local authorities for enforcement since 2012. As I said in the statement, local authorities are able to

[Alok Sharma]

levy penalties of up to £30,000 on rogue landlords and that money can be used for further enforcement.

Sir Desmond Swayne (New Forest West) (Con): I have an interest in the register. No matter how welcome the proposals, the Minister will agree that his proposals for vastly increasing the supply will be a much more effective defender of tenants' interests.

Alok Sharma: As ever, my right hon. Friend is absolutely right. The measures will of course help, but at the end of the day we need to fix the broken housing market by building more homes.

Lucy Allan (Telford) (Con): I welcome the Minister's statement. Will the Department also consider what steps can be taken to protect the consumer rights of freeholders who pay management fees on new-build estates where managing agents are failing to deliver value for money, such as in Lawley Village in Telford?

Alok Sharma: Yes. We will, of course, consider all these matters in the round, but if my hon. Friend puts her thoughts forward as part of the call for evidence, we will review them.

Sir Peter Bottomley (Worthing West) (Con): The all-party parliamentary group on leasehold and commonhold reform, which I co-chair along with the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), will be grateful for the Minister's remarks. We will submit more evidence.

I put it to the Minister that it will be quite important for people to be able to submit their evidence to the consultation confidentially. There are so many crooks and dodgy people around that there may be threats of legal action, such as the one I received from Carter-Ruck on behalf of Barry Weir when I was looking after a park home resident. Ordinary people cannot face that; Members of Parliament can.

Will the Minister also consider whether Dudley Joiner of Team Property Management can be investigated? He was going to be thrown out of his judicial property role, but he escaped hours before the report was announced.

Lastly, will the Minister please give serious consideration to whether the chairman of LEASE—the leasehold advisory service—can properly remain in his role, or whether it would be better to let him retire and have him replaced?

Alok Sharma: I pay tribute to my hon. Friend. He and the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) have done brilliant work as co-chairs of the APPG. He talks about people being able to give information anonymously, and we will of course not release the individual names of those who give evidence when the consultation's outcome is published.

As for the two references to particular individuals made by my hon. Friend, I suggest that we speak about those other matters after this debate.

Justin Tomlinson (North Swindon) (Con): In the 17 years that I have represented residents, both as a councillor and as an MP, this is easily one of the biggest issues that they have faced. Leaseholders are being ripped off left, right and centre, and the only defence is the right to

manage. The best case scenario is that it is a complex process, but it is more often near impossible. Through the consultation, I hope that the Minister will prioritise empowering those residents who have suffered long enough.

Alok Sharma: As I said, we will publish the outcome of the leasehold consultation, but we will clearly be considering proposals to ban leasehold houses and, of course, to tackle onerous ground rents.

Mr Philip Hollobone (Kettering) (Con): Leaseholders in Kettering will warmly welcome the launch of the Government's consultation, particularly those who live in blocks of flats where multiple leasehold interests are involved. I am thinking in particular of a block in the middle of Kettering that is in an appalling state of disrepair and has become a magnet for crime. The leaseholders there have no possibility of selling their properties, so the Government's announcement of proposals in this area will be warmly welcomed.

Alok Sharma: I welcome my hon. Friend's comments. He refers to the power of leaseholders more generally, but I point out to him that we would also like to reinvigorate commonhold.

Robert Jenrick (Newark) (Con): There is anger in Newark that the common areas and public spaces around almost every freehold property built in and around the town by major developers are subject to a management charge. As other Members have pointed out, such charges essentially mean that the community has to pay two council tax bills in perpetuity. National developers are profiting from the scam, and councils do not have the power to resist it. I am pressuring the local council to resist it—I think it actually enjoys the arrangement because it benefits from it—but we need to give councils powers so that local MPs such as me can say that the practice is unacceptable and has to stop.

Alok Sharma: My hon. Friend makes a powerful point. We will, of course, reflect on that matter when we respond to the leasehold consultation.

Tom Pursglove (Corby) (Con): Is my hon. Friend able to reassure the House that any clampdown on excess service charges will not have an adverse impact on rents?

Alok Sharma: When we talk about the ban on letting agents' fees and making the system fairer, the industry has talked about an increase in rents as a possible impact, but that did not come to pass in Scotland. We want to introduce fairness across the system, and I hope that that will ultimately mean lower charges and lower fees for tenants.

Mark Pawsey (Rugby) (Con): It cannot be right that those who visit a property agent to buy enter into an area of high regulation, but there is no protection for those who go to the very same agent to rent. Does the Minister agree that today's announcement levels the playing field for homeowners on the one hand and tenants and leaseholders on the other?

Alok Sharma: I absolutely agree with my hon. Friend.

Simon Hoare (North Dorset) (Con): I welcome the Minister's statement, but I urge him to widen its brief to the practices of housing associations. In recent weeks, constituents of North Dorset have been to see me after their housing associations increased charges without any prior notice and certainly with no justification.

Alok Sharma: The call for evidence relates to the private rented sector; but we will be putting out a Green Paper on the social housing sector and we will consider such matters.

Steve Double (St Austell and Newquay) (Con): I welcome the Minister's statement, which many residents in my constituency will also welcome. More and more freeholders are subject to charges, so will he confirm that any new regulations will include the freehold market? Does he agree that a lack of transparency is at the heart of the issue? If so, will he ensure that any new regulations provide complete transparency for those who pay service charges?

Alok Sharma: We are all for transparency. As I have said, we will consider all the matters put forward as part of this call for evidence and in previous leasehold consultations.

BILLS PRESENTED

AUTOMATED AND ELECTRIC VEHICLES BILL

Presentation and First Reading (Standing Order No. 57)

Secretary Chris Grayling, supported by the Prime Minister, Mr Chancellor of the Exchequer, Mr Secretary Lidington, Secretary Greg Clark and Secretary David Mundell, presented a Bill to make provision about automated vehicles and electric vehicles.

Bill read the First Time; to be read a Second time tomorrow, and to be printed (Bill 112) with explanatory notes (Bill 112-EN).

SMART METERS BILL

Presentation and First Reading (Standing Order No. 57)

Secretary Greg Clark, supported by the Prime Minister, Mr Chancellor of the Exchequer, Secretary Michael Gove, Secretary Chris Grayling and Secretary Sajid Javid, presented a Bill to extend the period for the Secretary of State to exercise powers relating to smart metering and to provide for a special administration regime for a smart meter communication licensee.

Bill read the First Time; to be read a Second time tomorrow, and to be printed (Bill 113) with explanatory notes (Bill 113-EN).

Workers (Definition and Rights)

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

1.19 pm

Chris Stephens (Glasgow South West) (SNP): I beg to move,

That leave be given to bring in a Bill to amend the definition of worker; to make provision about workers' rights; and for connected purposes.

My last ten-minute rule motion, on free telephone calls to Department for Work and Pensions helplines, has today been made Government policy, so it is appropriate that I ask leave to bring in a Bill to define the status of workers in law; to refine the current definitions in light of recent Supreme Court judgments; and to provide greater protection from day one of a person's employment, eliminating zero-hours contracts and providing greater protection for those in precarious work, such as in the hospitality sector.

For too many years, workers' rights were rarely debated outside of trade union conferences, but since the 2008 crash, when the failures of big business landed the least well off taxpayers with the bill for the corporate gamblers and their reckless handling of the global economy, there has been a growing sense of outrage that hard work is not properly rewarded.

Far from addressing an unbalanced economy that rewards failure so long as it is on a global scale, the Government have clung to the supremacy of the market over workers' rights. However, all the evidence shows that a healthy economy values workers and that achieving the correct balance between profit and reward is the biggest spur to long-term growth instead of short-term profit.

Many voices are now challenging the sheer scale of exploitation and poor working practices that all age groups experience but that often hit young people the hardest. I commend the private Member's Bill tabled by my comrade, my hon. Friend the Member for Glasgow South (Stewart Malcolm McDonald). The Unpaid Trial Work Periods (Prohibition) Bill would make it clear that, if a trial period is offered, the employer must pay up for that period whether or not a full offer of employment is made.

In many ways, there is a false narrative about the modern world of work that suggests that 21st-century technology has created a different dynamic and that workers have to adapt to be more flexible and more open to different ways of working, leaving behind outdated notions of security and guaranteed reward. The clear implication is that full-time secure employment with rights, a pension and clearly defined hours is an outdated 20th-century concept, instead of the peak of a hard-fought struggle to redress the balance between employer and employee—or, at its most extreme, exploiter and exploited. I make no apology for putting the issue in stark terms. We need to stand up and take on the siren voices that want to cloud a simple issue that has existed for as long as one person has agreed to pay another for their work. If fairness is not nailed down in legislation and enforced, there will always be employers who push their advantage to the limit and beyond.

I strongly believe the time has come for a full debate about what is fair work and how it should be properly rewarded. My Bill would bring some clarity to the

[Chris Stephens]

definition of “worker” by defining what rights are available and consolidating a single statutory definition of the people to whom employment rights and duties apply. It would also give the House the opportunity for more debate about the issues currently being explored by Committees following the Taylor report.

The Taylor report is useful in one sense: workers’ rights are front and centre. With Brexit on the horizon, we should all be aware of how easily the rights we take for granted could disappear. The report correctly identifies that clarity in the law could be improved, but I take issue with the proposed solutions, particularly that of creating a new category of worker—“dependent contractor.” I have a strong sense that the Taylor report’s main focus is not primarily the worker. It gives more weight to the interests of consumers and employers; when Mr Taylor gave evidence in Committee his responses indicated an anxiety that nothing should be introduced that “harmed” or “affected” consumers and employers in a negative way, even if it improves workers’ rights.

Mr Taylor admitted that his report was influenced by the Treasury submission on costs. He also admitted that if he had known that the Supreme Court was going to rule against the Government on employment tribunal fee costs, he would have been more robust in his report on the case for abolishing those costs. That was quite a revelation about how the report was produced—“nothing too radical” was evidently the starting point. There was quite a contradiction when he said that good businesses should not fail because other businesses are prepared to run a more profit-driven, exploitative model, but the report proposes no concrete legislative changes or enforcement to support companies that undertake good practice.

One of the more puzzling aspects of the report and Mr Taylor’s evidence was the stress on the importance of empowering workers through access to information and advice without once acknowledging the role of trade unions. In many respects, the choice of employers is given priority throughout. It is odd that the United Nations International Labour Organisation standards and the four pillars of decent work—employment creation, social protection, rights at work and social dialogue—are not referenced.

The research methodology, the time frame and the resources available to produce the report all point to this being a bit of a fig leaf to hide the Government’s true stance and intentions towards workers and their rights, which are more accurately reflected in the debates on the passage of the Trade Union Act 2016—the

Taylor report does not call for the repeal of that Act. The two Supreme Court rulings this year in favour of Unison on tribunal fees and the right to consultation also support the need for reform of the law.

The UK has not yet consolidated a single statutory definition of the people to whom employment rights and duties apply. Through the Supreme Court there is already an emerging body of case law to support workers’ rights, in particular the landmark 2011 judgment in *Autoclenz Ltd v. Belcher*, which makes it clear that just because signed contract documentation makes it look as if a person is self-employed, that is by no means the end of the story. Employment tribunals must take into account the inequality of bargaining power between employer and employee, and they must look at the whole context to ensure the written contract document genuinely reflects what the parties intended the employment relationship to be.

The time has come to secure legislation that uses the court judgments to clarify the nature and status of workers today. We should not overcomplicate the issue by pretending that the age-old struggle between labour and capital has magically vanished in the digital age. The Conservative party is not, and never will be, the party of the workers, despite the good intent adhered to or advocated by one or two well-meaning Members. During the passage of the Trade Union Act, in which I participated, the true intent and nature of Government policy was revealed and written into *Hansard* for all to see. I wonder whether the crackdown on workers’ rights goes far enough for some Members, who look fondly on 18th and 19th-century employment legislation—namely, the Master and Servant Acts designed to discipline employees and repress the combination of workers in trade unions—and whether they would happily vote for their reintroduction. However, I believe that is a minority viewpoint.

The time has come for an Act of Parliament to address the issue of precarious work, and I commend this Bill to the House.

Question put and agreed to.

Ordered,

That Chris Stephens, Neil Gray, Mhairi Black, Grahame Morris, Ruth George, Deidre Brock, Tommy Sheppard, Albert Owen, Kirsty Blackman, Jonathan Edwards, Kelvin Hopkins and Mr Alistair Carmichael present the Bill.

Chris Stephens accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 19 January 2018, and to be printed (Bill 114).

Mr Speaker: 19 January is a splendid day, my birthday.

Opposition Day

[2ND ALLOTTED DAY]

Universal Credit Roll-out

1.28 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I beg to move,

That this House calls on the Government to pause the roll-out of Universal Credit full service.

I am delighted that we have secured this vital debate on universal credit, given the concerns across the country and among Members on both sides of the House. I am aware that some 90 people have put in to speak, so I will take only a few interventions from both sides of the House. I will try to get through my key points as quickly as I can.

Our motion calls on the Government to pause the roll-out of universal credit while the issues associated with this key social security programme are fixed. I genuinely offer to work with the Secretary of State for Work and Pensions to fix the many and varied issues associated with universal credit. To understand what needs fixing, we need to understand how we got here. When universal credit was first introduced in 2012, it had the underpinning principles that it would simplify the social security system, bringing together six payments for working-age people in and out of work, and that it would make work pay.

Nick Thomas-Symonds (Torfaen) (Lab): My hon. Friend talks about the underpinning principles. Surely, one of those should be that our social security system should not drive people into debt, yet that is precisely what is happening to my constituents who are waiting months for payments.

Debbie Abrahams: Absolutely, and I will go on to make those points in a moment.

Getting back to the principles, we supported those then and we support them now. The Government wanted to pilot the implementation of UC, so they introduced a number of pathfinder areas, including my Oldham constituency, and planned a phased roll-out between 2013 and 2017.

Mark Pawsey (Rugby) (Con): My constituency was also a pathfinder, and since the introduction of UC in 2012, the claimant count in my constituency has halved. Does the hon. Lady think the two issues are connected?

Debbie Abrahams: There may be many and varied reasons why the claimant count is down, not least the system of punitive sanctions the Government also introduced in 2012.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Newcastle was also a pathfinder constituency. As the local MP, I have seen at first hand the absolute misery and destitution that this system has forced many of my constituents into. Our Newcastle food bank was already the largest in the country, and now it regularly runs out of food as a direct consequence of this system. Does my hon. Friend agree that the Prime Minister's attitude at

questions earlier today showed a total lack of understanding of the impact and of the destitution and suffering of so many of her citizens?

Debbie Abrahams: This is a real test for the Government; if there is a genuine desire to make life better for everybody across the country, UC is a key way in which we can respond. I am so sorry to hear about the issues in Newcastle as a consequence of the introduction of UC.

Ms Angela Eagle (Wallasey) (Lab): I can report to my hon. Friend that I have had exactly the same experience in my constituency, where people are being driven into destitution by the waits for UC. The local food bank, alongside the citizens advice bureau, has estimated that if this full roll-out goes ahead just six weeks before Christmas, leaving everybody destitute for Christmas day, it will have to collect 15 tonnes of extra food to deal with the demand that will be generated by these changes.

Debbie Abrahams: This is the reality that people are facing; this is happening in the areas my colleagues have mentioned, and our concern is that, as this is rolled out to 55 areas this month, the situation will get even worse.

Simon Hoare (North Dorset) (Con) *rose*—

Debbie Abrahams: I will give way one last time.

Simon Hoare: I am most grateful to the hon. Lady, who is being enormously kind with her time. The motion calls for a pause in the roll-out. Is she going to tell us what the Labour party would do during that pause period?

Debbie Abrahams: The hon. Gentleman is pre-empting my speech, but I will happily propose exactly what we would like to do in conjunction with the current Government, whose programme this is.

From the start, there were a number of serious design flaws, which the Work and Pensions Committee, of which I was a member, raised in 2012. They included, first, the fact that UC applications would be “digital by default”; in other words, applications could only be made online. There are still several issues with that, not least the assumption that everyone is computer-literate or has ready access to getting online. We all remember the scene in “I, Daniel Blake” where somebody who had not used a computer before was trying to do so, and we saw the real stress and difficulties he found.

Helen Goodman (Bishop Auckland) (Lab) *rose*—

Debbie Abrahams: I am sorry but I am not going to give way again, as I must try to press on.

Secondly, there were concerns that UC payments would be made monthly, in arrears, and paid only to the main earner of each household, so women, as second earners, are automatically discriminated against in this process; it was also quite a radical change, with rental payments going directly to the household and not the landlord. Thirdly, there were considerable doubts about the use of so-called real-time information, which was meant to ensure that information from employers to Her Majesty's Revenue and Customs would allow the Department for Work and Pensions to calculate quickly what people in low-paid employment would be entitled to from UC. The reliability and validity of this data exchange was another key concern. I believe there is a DWP RTI issues group, so there are clearly still problems.

[Debbie Abrahams]

Finally, the Government said that disabled people would not be financially worse off under UC, but because the severe disability premium payment has not been incorporated into UC, it is an effective loss of up to £62.45 a week for a single person—more than £3,200 a year.

All that was in 2012, but a number of other issues emerged in the following couple of years—universal jobmatch, ballooning costs and of course several delays. One of the most worrying issues revealed in the January 2015 UC regulations was that people in low-paid work on UC will now be subject to in-work conditionality. So, for example, someone who is one of 1 million or so people working on a low-paid, zero hours contract, with different hours from one week to the next, will have to demonstrate to their Jobcentre Plus adviser that they are trying to work 35 hours a week and if they fail to do that to that person's satisfaction, they can and will be sanctioned. For Members who are unfamiliar with this concept, those people will have their social security payments stopped for a minimum of a month.

Fast forwarding to the 2015 summer Budget, the then Chancellor announced that cuts would be made to the so-called universal credit work allowances, which are how much someone can earn before UC support starts to be reduced. For example, a couple with two children claiming housing costs had their work allowances cut from £222 a month to £192 a month. In addition, approximately 900,000 families with more than two children could not receive support for third or subsequent children.

Kate Green (Stretford and Urmston) (Lab) *rose*—

Debbie Abrahams: I am not going to give way again, as 90 people have put in to speak.

The UC equivalent of the family element in tax credits was also abolished. The Government's equality analysis showed that women and people from black, Asian and minority ethnic communities will be most adversely affected by these work allowances cuts. Let us recall what the principles of UC were and then consider that the Institute for Fiscal Studies stated at the time that the cuts to work allowances meant the principle of making sure work always pays was lost. The Government's claim that UC is leading to more people getting into work is misleading, as it is based on 2015 data, before the work allowance cuts came into effect.

The current Chancellor's attempt to redress some of the damage of these cuts by reducing the UC taper rate in last year's autumn statement has had a marginal effect. Members may recall that he reduced the rate from 65% to 63%, so that for every £1 earned over the work allowance, 63p of UC support is withdrawn. That is a far cry from the 55p rate envisaged when UC was first being developed. On that basis, the Resolution Foundation estimated that some families will lose £2,600 a year because of these cuts.

Alex Burghart (Brentwood and Ongar) (Con): Will the hon. Lady give way?

Debbie Abrahams: I am sorry but I am not going to give way again, as I need to make progress, with 90 people having put in to speak.

This summer, the Library analysis that I commissioned showed the real-terms impacts on different family structures and for different income groups. It found that a single parent with two children working as a full-time teacher will be about £3,700 a year worse off in 2018-19 compared with 2011-12.

So where are we up to now? The most recent statistics show that there are currently about 600,000 people claiming UC, over a third of whom are receiving support via the full service. The roll-out of UC over the next six months will see the overall case load rise to just under 1 million, which is a 63% increase. On average, 63,000 people a month may start a new UC claim before January 2018, and by 2022 we expect about 7 million people to be seeking support from the programme. We are at a turning point in the Government's flagship programme, the roll-out of which is currently being ramped up dramatically.

On top of the design flaws and cuts that I have just mentioned, several other issues have emerged. Perhaps the most pressing is the Government's decision to make new claimants wait six weeks before they receive any support. Four weeks of that is to allow universal credit to be backdated, plus there is an additional week, as policy, and then a further week waiting for payment to arrive. This "long hello", as some have called it, is believed to be one of the primary drivers of the rising debt and arrears we are now seeing. Citizens Advice reports that 79% of indebted claimants

"have priority debts such as a rent or council tax, putting them at greater risk of eviction, visits from bailiffs, being cut off from energy supplies and even prison".

Lucy Frazer (South East Cambridgeshire) (Con): Will the hon. Lady give way?

Debbie Abrahams: I am sorry, but I will not.

Half those in rent arrears under universal credit report that they entered into arrears after they made their claim. What is worse is that many claimants do not even receive support within the Government's lengthy six-week deadline: one in four are waiting for longer than six weeks and one in 10 are waiting for more than 10 weeks. The Government's so-called advance payment, which is meant to be available to those in need, is in fact a loan that has to be paid back within six months out of future social security payments. I recognise and welcome the Secretary of State's announcement about speeding that up, but I will explain later in my speech exactly what we might need to tweak.

As we have heard, the measures I have outlined are pushing people into debt, rent arrears and even homelessness. Last year, the National Housing Federation warned that approximately 80% of tenants on universal credit were in rent arrears, with the six-week delay being attributed as the key cause. A few weeks ago, a nurse came into my surgery. She was a single mum who had transferred from tax credits to universal credit. She had the six-week wait, and as a result the arrears racked up. When she came to see me, she had just been served an eviction notice. As universal credit is rolled out, such stories will become more and more common.

The Mayor of Greater Manchester has warned that rough sleeping will double over the winter if the universal credit roll-out continues without its fundamental flaws being addressed. This is not scaremongering; it is based

on estimates by local authorities in which universal credit has already been rolled out. Throughout Greater Manchester, the average arrears for people on UC in social housing is £824, compared with £451 for non-UC tenants. It is already having an impact on rising evictions and homelessness—and that is without even going into what is happening in the private rented sector. In addition, the increase in rent arrears for social housing landlords means that less money is available for investment in housing-stock maintenance or the building of new social housing, thereby adding to the existing housing crisis.

The increase in food bank use is another consequence of universal credit delays. Earlier this year, the Trussell Trust reported that referrals for emergency food parcels were significantly higher in a UC area, at nearly 17%, compared with the national average of just under 7%. The trust's report also highlighted the impacts on the mental health of people on UC, who were described as stressed, anxious or depressed, as they worried about being unable to pay bills and falling into debt.

Who is most likely to be affected and why? Single parents are particularly vulnerable under universal credit. There are now 65,000 single parents on UC. Gingerbread has described how, through

“error in administration and the structure of the system itself, single parents have been threatened with eviction and jobs have been put at risk”.

Gingerbread told me about Laura, who lives with her two sons, one of whom is severely disabled. Laura had to apply for universal credit when her temporary contract at work ended. She had to wait eight weeks for support, and visited a food bank to feed her children. She was not told about advance payments and was struggling with rent arrears. Reflecting on her experience, Laura said:

“it's very stressful, single parents quite often have enough stress and worry about money; and other things, bringing up your children to start with and it's exacerbated by this very unfair, very unjust system”.

With child poverty among single parents forecast to increase sharply to 63% by the end of the Parliament, it is vital that we fix the social security system to ensure that it is working. In a forthcoming Child Poverty Action Group report analysing the cumulative effects of social security changes on child poverty since 2010, the section on universal credit highlights its design issues and, in particular, the detrimental impact on single parents. It states:

“Universal credit was designed to be more generous to couples than single people, with lone parents in particular expected to lose out compared with tax credits. This was a deliberate reaction to the decision, within tax credits, to boost support for lone parents in comparison with couples because of their higher risk of poverty and the greater difficulty of increasing earnings from work if you are a lone parent.”

The report goes on to say:

“Since its initial design, universal credit has been subject to a succession of changes and cuts which have substantially reduced its adequacy overall... As a result, it is now less generous than the system it is replacing, and no longer offers the promise of reducing poverty.”

Universal credit is not just affecting single parents; young families and families with more than two children will also fare much worse under UC. Young families going on to universal credit will be affected by the decision to introduce a lower under-25 rate of the standard allowance in universal credit, even for parents

with children. As a result, young families will be at increasing risk of poverty, especially if they have a single earner or a second earner working part time. Of course, among other cuts, limiting the child element of support to only two children leaves families with more than three children worse off as well. The report reiterates that as well as being less generous and actually cutting family income, UC fails to incentivise people into work or to progress in work, which are fundamental principles of UC. Shockingly, it has been calculated that, because of the cuts, universal credit will push a million more children into poverty by 2020, with 300,000 of them under five.

Mr Bob Seely (Isle of Wight) (Con): On a point of order, Mr Speaker. The last time that the Leader of the Opposition spoke on this issue, he made a series of entirely unsubstantiated factual claims about housing in Gloucester. Are these further unsubstantiated claims?

Mr Speaker: Order. That is not a point of order and it is an abuse of our proceedings. I strongly counsel the hon. Gentleman not to make the same foolish mistake again.

Debbie Abrahams: I wonder how that intervention will be seen by those people affected by these issues. Some 900,000 working-age adults will be pushed into poverty, while 900,000 children and 800,000 adults will be living in severe poverty.

Earlier, I mentioned the design issues that are affecting disabled people. This week, I heard from someone who has lost nearly £80 a week—a week—because of their transfer to universal credit after they moved house, ending their ESA claim. When UC was first launched, the Government said they wanted to

“simplify the current complex rules which have been prone to error and complex and confusing for disabled people”

and to replace

“seven different premiums with a simpler, two-tier system that focuses support on the most severely disabled people who are least able to work”.

However, subsequent social security changes, particularly the abolition of the UC limited-capability-for-work element from April 2017, have meant that, instead of a net gain, it is likely that there will be a net reduction of support for people with health conditions and disabilities.

Under this Government, we are seeing unprecedented cuts in support to disabled people, with the consequence that more and more disabled people are living in poverty. The number currently stands at more than 4.2 million; this cannot go on. This is exactly what the UN Committee on the Rights of Persons with Disabilities said is causing a “human catastrophe”.

Helen Whately (Faversham and Mid Kent) (Con): Will the hon. Lady give way?

Debbie Abrahams: I am sorry, but I will not. As I have said, I am conscious that 90 people wish to speak.

The self-employed are another group who are adversely affected by the Government's changes to universal credit. We have seen a dramatic increase in self-employed people in recent years: they now make up 15% of the workforce—5 million in total—and account for 80% of the increase in employment since 2008. But 45% of them pay themselves less than the living wage.

[Debbie Abrahams]

As I have said many times, it is absolutely right that we try to design a social security system that can properly support self-employed people and that recognises the fluctuating nature of the labour market for those workers. Sadly, universal credit no longer does so, after the introduction of the minimum income floor, which is an assumed income for self-employed people, found by multiplying the minimum wage on the assumption that self-employed people are working 35 hours a week. One self-employed recipient who contacted me said:

“This system does not allow for the fluctuations in income that are experienced by the self-employed. Surely an assessment made on a year’s profits would be much fairer.”

They went on to say that universal credit will close down enterprise as a route to employment.

Importantly, the Department for Work and Pensions does not average incomes over a year, which leads to issues around holidays, such as Christmas, when the self-employed may take time off. They will be punished for doing so under the Government’s universal credit system. The Federation of Small Businesses has also expressed concerns, saying that it expects major problems for low-income self-employed people to set in at Christmas.

We need to build a social security system fit for the 21st century and to make sure that all workers, employed or self-employed, are afforded dignity and security as work demands fluctuate. We cannot allow the devastating impacts of universal credit roll-out to happen. I reiterate my genuine offer to work with the Government to address the very real concerns about universal credit, particularly its design flaws, the administrative issues and the cuts.

I welcome the Government’s announcement this morning that the so-called helpline will now be a Freephone line. Given Serco’s appalling performance over the past few years and the profit that it has made from the Government contract, it should be paying for the Freephone lines. It is unacceptable that people on the lowest incomes have been paying money that they do not have on phone calls to find out about their claims.

Action must be taken to improve call handler capacity and competence, so that people making inquiries on their claim are not kept on hold or passed from pillar to post. Another key ask is for alternative payment arrangements to be offered to all claimants at the time of their claims. That includes ending the one-week wait and enabling people to have fortnightly, instead of monthly, payments where appropriate with the option of the housing element to go directly to the landlord. Alternative arrangements have already been made available in Northern Ireland and will be introduced in Scotland, so there is no reason why they also should not be available to people in England and Wales.

We need to look at the advanced payments and make them more manageable. A repayment over six months is still creating huge issues for people on the lowest income.

David Morris (Morecambe and Lunesdale) (Con)
rose—

Debbie Abrahams: I am sorry, but I will not give way.

These are relatively straightforward suggestions. I recognise that reinstating the original level of work allowances and reducing taper rates are less so, but if

the Government and the Prime Minister are sincere about tackling injustice in this country and making sure that work pays, they must act. Once again, I commit to working with them on this. We must address the poverty and discrimination that universal credit is causing women, children, disabled people and black, Asian and minority ethnic communities now. This will only get worse as universal credit is rolled out.

This country is at a crossroads. Brexit must not blind this Government to other obligations to their citizens. We must all work together in the national interest to avert the disaster that is about to unfold if universal credit is rolled out without fixings its failings. I urge all MPs to vote with their conscience, stand with us and their constituents and pause and fix universal credit.

1.53 pm

The Secretary of State for Work and Pensions (Mr David Gauke): Today we have seen yet another excellent set of labour market statistics: unemployment is 1 million lower than in 2010 and youth unemployment has gone down by 415,000 over the same period. Underneath those raw statistics lie the work and effort of millions of families across the country who are keen to get on and make the best of their lives: people who are in work but want to earn more, people who are out of work but really want to get a job. Young and old all deserve the opportunity to maximise their potential. That is what universal credit is all about.

Ruth Cadbury (Brentford and Isleworth) (Lab): Will the Secretary of State give way?

Mr Gauke: Let me make a little progress.

When it comes to universal credit, there is much talk about supporting the principles behind the reform, and I welcome that. Before turning to the issues raised by the hon. Member for Oldham East and Saddleworth (Debbie Abrahams)—and I will be taking plenty of interventions—I think it would be helpful to the House to articulate what those principles are.

The fundamental purpose of universal credit is to assist people into work. It is through work that people can support themselves, obtain greater economic security and progress in life. Universal credit does that by making work pay.

Several hon. Members *rose—*

Mr Gauke: Let me finish on the principles, and then I will take plenty of interventions.

We inherited a welfare system that puts in place barriers to people fulfilling their potential. If those on jobseeker’s allowance do more than 16 hours of work, they must go through the disruption of stopping their benefit claim only to start another. Many on employment and support allowance can be faced with a choice between financial support or work while we know that many thousands would like, and would benefit from, both. Once a person is in work, they are all too often caught by the hours rules in tax credits. Universal credit cuts through that by taking six different benefits and replacing them with a single system: a system where claimants receive tailored support to get them into work; a system where claimants have to deal with only one organisation, not three; and a system that ensures it always pays to work and always pays to progress.

Clive Efford (Eltham) (Lab): It is not the principle, but the practicality that is at issue. [HON. MEMBERS: "Ah!"] The principle of getting people back into work is something that we on the Labour Benches accept. The citizens advice bureau, the Trussell Trust and even John Major are saying that universal credit should be delayed, because it is increasing poverty and leading to debt and rent arrears. Are they wrong?

Mr Gauke: My argument is that we should not be pausing this. May I just say that I welcome the clear expression of support for the principle of universal credit? That is helpful. The case I will make today is that the principles lead us to a design that is focused on making work pay. It is diminishing the differences between being out of work and being in work, and can make a significant difference.

Mrs Anne Main (St Albans) (Con) *rose*—

Lucy Frazer *rose*—

Mr Gauke: I give way to my right hon. Friend—
[*Interruption.*]

Mr Speaker: The hon. Member for St Albans (Mrs Main) has just been promoted. The Secretary of State needs to gesticulate whom he means with greater clarity.

Mrs Main: I thank the Secretary of State for that promotion. I look forward to receiving it in the post.

Is the Secretary of State any more aware than I am of the topic of this debate? Yesterday, the Opposition wanted to fix universal credit. Today, the word "fix" has been dropped. It seems that the Opposition want to pause but not fix. Has he any greater awareness of this matter?

Mr Gauke: That astuteness demonstrates why my hon. Friend should become my right hon. Friend sooner rather than later.

It is a very revealing point. There is no real attempt to fix this. This is about pausing it and wrecking it.

Stephen Timms (East Ham) (Lab): Has the Secretary of State seen the survey of 105 local councils, which showed that of claimants who claim universal credit, over half of the council tenants are in rent arrears compared with only 10% of those on the old housing benefit? Does that not show that this system needs to be paused and fixed?

Mr Gauke: Part of the issue is that that is not comparing like with like. The right hon. Gentleman will understand that the selection of people who will be on universal credit will be of a different group than the housing benefit population as a whole. [HON. MEMBERS: "Why?"] The reason is that in many cases, going on universal credit involves a change of circumstances, and that change of circumstances may in fact be a reason why people are in arrears. [*Interruption.*] May I just make this point? I know that the right hon. Gentleman has concerns about how we address the issue of the early period, so I will say a little bit more about it. We are seeing improvements in payment timeliness, and people are getting more support early so the reasons for increased rent arrears will not necessarily apply.

I want to make this point about what universal credit does. The work done within universal credit to give people the support to prepare for work can be too easily missed from debate.

Several hon. Members *rose*—

Mr Gauke: I will just make a little bit of progress.

Universal credit gives a person a work coach, who provides personalised support, helping them to stay close to the labour market and overcome barriers to work. A universal support package provides people with assistance to build confidence and competence with IT, manage their universal credit account online and access online job search facilities and training. Universal credit makes being out of work more like being in work, because people are paid monthly, as 75% of employees are, and because it is paid directly to tenants instead of to their landlord. It also stays with recipients during the transition from being out of work to being in work.

Lucy Frazer: The Secretary of State makes a really important point about the unemployment figures and the importance of getting people into work. Will he join me in congratulating my constituency, which has one of the lowest levels of unemployment—the sixth lowest—in the country, with only 375 people unemployed or claiming unemployment benefit?

Mr Gauke: My hon. and learned Friend is right. We need to build on the progress that has been made in her constituency and, indeed, generally across the country, and further assist people into work.

Several hon. Members *rose*—

Mr Gauke: I will give way to one of my predecessors as Secretary of State.

Stephen Crabb (Preseli Pembrokeshire) (Con): The Secretary of State is being very generous with his time. Did not the shadow Secretary of State rather give the game away when she denied any link at all between universal credit and the increase in employment levels? Since 2010, the Labour party has set its face against welfare reform. In 2010, Labour Members ran to the barricades to defend an outdated system that trapped people in poverty and worklessness for years.

Mr Gauke: My right hon. Friend is absolutely right. This is yet a further example of the Opposition turning their back on reforms. I listened to the remarks of the shadow Secretary of State—

Ms Angela Eagle: Will the Secretary of State give way?

Mr Gauke: I am just making a point about the speech we just heard from the shadow Secretary of State, who has set her face against any form of conditionality in the benefits system, as far as I can tell. She fails to appreciate that the best way of helping claimants is to get them into work. That sometimes requires a change of behaviour, and a degree of conditionality within the system is required to ensure that people change their behaviour so they can make progress.

Jack Dromey (Birmingham, Erdington) (Lab): On this side of the Chamber, we live in the real world of our constituents. People suffering from motor neurone disease came to see us in Westminster yesterday to say that on top of the agony of their disease, they faced the indignity of fighting for their full entitlement under PIP. Today a landlord came to see me in my office, saying that he will never again let to tenants on universal credit, and a single mum told me that she is desperate because, with roll-out just before Christmas, she and thousands of others face a bleak Christmas. Does the Secretary of State begin to understand—

Mr Speaker: Order! I am sorry to have to shout, but the hon. Gentleman, though he speaks with great force and eloquence, took too long. We must have shorter interventions, as it is not fair on others.

Mr Gauke: Let me turn to the important point of claimant commitment.

Ms Angela Eagle: Will the Secretary of State give way?

Mr Gauke: I will give way, but not for a moment.

Throughout this period, claimants have a flexible, clear and tailored claimant commitment so they fully understand their responsibilities. The commitment supports and encourages them to do everything they can to move into or towards work, or to improve their earnings. The only thing we ask is that claimants meet reasonable and agreed requirements that take into account their individual circumstances and capability, including mental health conditions, disability and caring responsibilities. I hope that this approach to benefit conditionality will have the support of both sides of the House, including the hon. Member for Wallasey (Ms Eagle).

Ms Angela Eagle: The Secretary of State must surely realise that the way in which the system is being administered is leaving people penniless and possibly destitute. He must address that point. The Government are rolling all the six benefits into one; if that is then not available to people for six weeks, there are people who cannot afford to survive in that time. The loans, which have to be paid back, are not an adequate response. Will the Secretary of State admit the human suffering that is happening in all our constituencies and deal with that particular point?

Mr Gauke: Let us be clear: if people need support under this system, they do not have to wait for six weeks. [HON. MEMBERS: "They do!"] They do not have to wait for cash in their pocket from the state because they can get an advance, which is normally paid within three days. If someone literally does not have a penny, they can get that money on the day. There is a responsibility on all of us as constituency MPs, when we meet our constituents who face difficulties of this sort, to inform them of the availability of advances, not to scare them with the belief that they have to wait six weeks when they do not.

Richard Graham (Gloucester) (Con): The points being made by Opposition Members are disappointing in one particular way. There is a strong responsibility on all of us as Members of Parliament to help our constituents when they get into problems, rather than trying to weaponise them politically. One way this could be done

is to encourage our largest housing associations to have an implant inside the Jobcentre Plus so that at the very moment somebody goes on to universal credit, the housing association is there and able to make sure they get the necessary advance so that they can pay their rent. Does the Secretary of State agree?

Mr Gauke: My hon. Friend makes a good point. Co-operation between housing associations and the Department for Work and Pensions is an important part of improving the service. We are seeing improvements in how that operates and I hope it continues to improve further.

David Morris: My constituency was a pilot scheme for universal credit, and I regularly meet the jobcentre and the citizens advice bureau. The important point is that there were teething troubles in the early days, but people can now get a loan on the day. The worst wait is seven days, depending on the individual's circumstances. The problem—if there is a problem that has to be addressed—is how the loan is paid back. The repayment cap is currently at 40% of payments. Would the Secretary of State look into a 10% rate instead, to help the system flourish even further?

Mr Gauke: The advance is typically paid back over six months, so it is essentially a deduction of around 8% from universal credit payments for the first six months. The figure of 40% takes into account all deductions that may conceivably apply in such circumstances.

Several hon. Members *rose*—

Mr Gauke: I have given way numerous time already, probably a multiple of the number of times the shadow Secretary of State gave way. I do not want the House to miss this point: universal credit represents a generation-changing culture shift in how welfare is delivered and how people are helped, creating a system that allows people to break free from dependency, take control of their lives and move into work. Our analysis shows that 250,000 more people will be in employment as a result of universal credit when it is fully rolled out. Universal credit is picking up from a deeply flawed system and striving to solve problems that were previously thought unsolvable.

Caroline Lucas (Brighton, Pavilion) (Green): If the Secretary of State's intention really is not to cause hardship and distress, why will he not get rid of that automatic six-week wait? Many people still do not know about it. Many do not know to go to their MP to seek solutions. Get rid of it. What he is talking about is a loan, which has to be paid back over six months and which many people are not eligible for. The point is that the way the system is designed is making people fall into hardship, and it is deliberate. It is not an accident. It is absolutely an integral part of the design. Change it.

Mr Gauke: I will come back to the six-week period.

We have to remember that we have inherited an old system, in which complexity and bureaucracy often served to stifle the independence, limit the choices and constrain the outlook of its claimants. The disincentives in the legacy system to work or earn more have been removed, along with the complex hours rules and cliff edges.

Several hon. Members *rose*—

Mr Gauke: I have to make some progress.

Claimants now no longer need to switch between benefits if they move in and out of work, so they are free to take up short-term and part-time work without worrying about being worse off or their claim ending. It is working: our research shows that compared with people in similar circumstances under the previous system, universal credit claimants spend more time looking for work, apply for more jobs, take up jobs that they would not even have considered previously, and take on more hours or extra jobs. That is not an abstract discussion; this is real people's lives being improved because of universal credit.

Mims Davies (Eastleigh) (Con): Eighteen months ago, I visited Radian, a housing association in my constituency. Radian expressed to me and to our hon. Friend the Minister for Employment concerns about the impact of universal credit on tenants. Eighteen months later, those people are in work, paying the rent and working with the housing association. The outcome is positive. Labour Members are simply scaremongering.

Mr Gauke: I am grateful to my hon. Friend for highlighting the reality. This is not an abstract discussion; we are discussing real people's lives.

Anna Soubry (Broxtowe) (Con): Thanks to a Conservative Government, we now have almost full employment in this country. For a number of people who claim unemployment benefits, their mental health is a barrier to getting work. What assurances can my right hon. Friend give us that the universal credit system will either help people with low-level mental health conditions to get back into work, or give them the support they need for their future?

Mr Gauke: My right hon. Friend makes a good point. I was about to give an illustration of the way universal credit can work involving a claimant with learning difficulties, who was out of work when he came to the jobcentre. His work coach provided tailored support, building his confidence and capability. That man is now in work. He told us that he is proud of himself for getting into work, and that he did not think it would have been possible without universal credit. He is now looking forward to the future. That personalised support, tailored to individual circumstances, is much more widely available.

Let me give another example. A university graduate had not previously had a job but was desperate to get into work. Her work coach helped to build her skills—interview skills and application writing—and she was soon successful in gaining a 16-hours a week job. When she was offered overtime, the work coach supported the claimant flexibly, rescheduling her Jobcentre Plus appointments so they did not clash with her new hours. The claimant could accept the overtime, confident that she would remain on universal credit and continue to be supported by her work coach.

Those are true testimonies of the powerful potential of the reform to change lives for the better.

Tom Brake (Carshalton and Wallington) (LD): Does the Secretary of State agree that one of the best ways to help people into work and support them is to deal not

only with the six-week wait, but with the fact that—according to Citizens Advice—one in three people now wait longer than six weeks, and one in 10 wait longer than 10 weeks?

Mr Gauke: Let me deal with the points on the waiting period and timeliness. I acknowledge the concern. Returning to the intervention from the hon. Member for Brighton, Pavilion (Caroline Lucas), we have to remember that a waiting period is fundamental to the structure of universal credit, which pays people monthly, mirroring the world of work. Universal credit also automatically adjusts payments to take account of a claimant's income in a particular month, meaning that a claimant will always be better off in work. To do that, payments necessarily have to be made in arrears.

We know that some people cannot afford to wait six weeks for their first payment, which is why we have advances that provide those in financial need with up to their first universal credit payment. Increasing numbers of people claim that; the numbers from July show that the majority of claimants did so. Claimants who want an advance payment will not have to wait six weeks; as I said, they will receive the advance within five working days, and if someone is in immediate need the advance can be paid on the same day. I recently improved the guidance to DWP staff to ensure that anyone who requires an advance payment will be offered it up front.

Several hon. Members *rose*—

Mr Gauke: I will make a little more progress before giving way again.

Of course it is important that we get people the right money at the right time. As UC full services roll out, there have been significant improvements in verifying claims and making payments on time. Our latest data show that 80% of new claimants are being paid in full and on time; 90% receive some payment before the end of their first assessment period; and, taking into account advances, 92% of new claimants receive some support within six weeks. More than 1 million claims to UC have been taken. The live service is available in every part of the country and the full service version is already in 135 of our jobcentres for new claims across all claimant types.

Neil Gray (Airdrie and Shotts) (SNP): The Secretary of State says that advances are typically paid within three days. Of course, an advance in crisis funding is an admission that the system is failing, but aside from that, what evidence does he have for saying that payments are made within three days? The answer to a written question that I received this week shows that the DWP is not collecting those data.

Mr Gauke: For a start, it is not crisis funding; it is an advance giving people flexibility in when they receive their universal credit payments. Our commitment is to deliver within five days, and my understanding is that typically payment is made within three days. We are providing support to people earlier. I acknowledge the concerns. I have seen the hard cases of people who have apparently gone weeks—sometimes months—without support. What we are saying is that they can get an advance quickly, as long as we have verified their identity.

Helen Whately: May I back up my right hon. Friend, drawing on work I have done in my area and on discussions with citizens advice bureaux? When people have needed advance payments, they have received them incredibly quickly, within two or three days, and the jobcentre staff tell me that universal credit is helping them to help people to get into work. Does he share my frustration at hearing so much negativity from Labour Members and never any positives?

Mr Gauke: I certainly do. This is an important matter and strong views are held in all parts of the House, but I urge right hon. and hon. Members to engage with their local jobcentres. When they talk to jobcentre staff, many Members hear what my hon. Friend just described—that the universal credit system is delivering for people, giving them the opportunity to get jobs. That is exactly what we are determined to do.

Universal credit is working and the roll-out will continue—to the planned timetable. We are not going to rush things. It is more important to get this right than to do it quickly. At the moment, of the total number of households that will move on to universal credit, we are currently 8% of the way there. By January, it will be 10%. Across the country, we will continue to improve our welfare system to support further those who aspire to work.

Several hon. Members *rose*—

Mr Gauke: I have given way numerous times. I am conscious that, as the shadow Secretary of State repeatedly said, 90 speakers want to get into this debate, and I have spoken for nearly half an hour, which is more, I am sure, than the House can endure.

We are under no illusion but that we must continue to work together to resolve issues as they arise and ensure a successful roll-out. I want to improve the system. I want constantly to refine the system. I want to make changes where necessary to test and learn and improve. I am determined to do that. I have made an announcement today along those lines about telephone lines.

Karl Turner (Kingston upon Hull East) (Lab): We all welcome the Government's concession on the premium phone line, but I met the CAB on Monday and it tells me that advisers are sometimes waiting up to half an hour to get through. Would the Secretary of State consider an MP-type hotline for advisers from the CAB and other welfare advisers?

Mr Gauke: First, we have never had a premium line; it is the same sort of system that one of the hon. Gentleman's constituents would find if he called him and booked into a constituency surgery. It has never been a premium line, but we are changing it. On the average waiting times, I think that in September it was five minutes and 40 seconds. As for his particular proposal, let me take that away. Very often the CAB needs to call the local jobcentre rather than the national centre, because if it wants to deal with an individual case, dealing with the jobcentre would be more helpful.

Simon Hoare: I thought that there was a helpline for MPs to deal with all our constituents' cases—unless it is a courtesy extended only to North Dorset.

Mr Gauke: My hon. Friend is absolutely right, but to be fair to the hon. Member for Kingston upon Hull East (Karl Turner), I think that he wants to extend the

helpline that we have or offer a similar service to advisers. As I say, I will look at that, but very often advisers need to contact the local jobcentre.

Several hon. Members *rose*—

Mr Gauke: I have spoken for a long time and I want to push on.

The approach that we are taking is to test, to learn and to improve, because we are delivering a really important and fundamental change, moving towards a more dynamic system that is already improving lives and has huge potential to do more.

Let me say something about the approach we have heard from Labour Members. We have adopted, I believe, a responsible approach. Of course, there are legitimate questions to ask, and no Government can object to scrutiny, but let us not pretend that that is what we are getting from Labour Members. What we are hearing today is not constructive opposition—not a plan to reform universal credit, but an attempt to wreck it. It is an attempt to paralyse a policy that will help 250,000 more people get into work and to block a reform that will increase opportunity. It is an attempt to play politics but with no attempt to set out a real alternative. I say to my colleagues, well, let them do that, but we will proceed. We will address the historical failures of our benefits system, we will increase opportunity, and we will deliver a welfare system that puts work at the heart of it.

2.24 pm

Neil Gray (Airdrie and Shotts) (SNP): Back in 2010 when universal credit was first mooted by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), the SNP gave it a cautious welcome. My predecessor as the SNP's social justice spokesperson, Dr Eilidh Whiteford, said at the time that

“some of the measures set out today—particularly the universal credit—are very welcome”.

The initial premise of a simplified social security system streamlined with one payment was a good idea. The SNP still supports that idea.

However, successive Chancellors and Work and Pensions Secretaries have not just salami-sliced the idea; they have hacked it to bits as £12 billion of cuts need to be found from somewhere—anywhere—within the DWP. The fast-fading dream of a budget surplus meant arbitrary cuts to departments across Whitehall, but particularly the DWP, such that indiscriminate and unco-ordinated cuts were required. Cuts to tax credits, to the work allowances, to employment support allowance and to housing benefit—all component parts of universal credit—have undermined the new system. Indeed, having initially welcomed the premise behind universal credit, Eilidh Whiteford was one of the first to warn about the problems we see in its roll-out today. I wish she were standing here today for that reason.

Yesterday a group of very prominent Government Back Benchers met the Prime Minister and the Secretary of State and presented them with a set of areas which the Government could act on quickly as the roll-out was going on, and which would immediately help people and improve universal credit. Let me be clear: we do not want to see universal credit scrapped; we want it fixed and improved. The improvements suggested yesterday were cutting the automatic minimum wait from at least six weeks to a guaranteed four weeks, making payments

on a fortnightly rather than a monthly basis, and doing more on advance payments to make them part of the award and therefore not recoupable as a loan. Those would be very welcome steps. None of those changes would break the bank. All of them would help. All of them would make a meaningful change to people's lives. Those changes are the focus of what SNP Members and the Scottish Government have been calling for over the course of months and years, so of course we would have supported them.

Jess Phillips (Birmingham, Yardley) (Lab): The suggestion that I would like to add to that list—I wonder if the hon. Gentleman agrees with me—is that the Department might start to monitor whether people have requested split payments, which were put in place by campaigners like me to ensure that victims of domestic violence can access any of their finances. At the moment, under the current system, they have to admit it in the jobcentre, often in front of their partner.

Neil Gray: I thank the hon. Lady for her intervention. That is one of the flexibilities that the Scottish Government are going to be using, so yes, we absolutely support it. Indeed, I was about to go on to some of the areas where we would want the Government to go further.

We want the Government to address single household payments; to reduce the 63% taper rate, which far exceeds the top rate of tax; to scrap the two-child tax credit limit and the rape clause; to look again at cuts to housing benefit; to look again at employment support; and to look again at the work allowances. I understand why the concerned Tories chose the issues they did—because they are easy and quick to do without costing much money—but it appears that their pleas have fallen on deaf ears, at least for now. I suspect that if the Government abstain this evening, again, it will be only a matter of time before changes have to be made—so why not do it now? If the Government are abstaining to play for time until the Budget, what happens with the areas about to experience roll-out over Christmas? The Government must commit to fix this now.

Paula Sherriff (Dewsbury) (Lab): Does the hon. Gentleman share my concern at learning about my constituent who suffers from severe mental health problems, failed a PIP assessment, and was told to claim universal credit? He has a sick note up until the end of December but was made to sign a form advising him that he will take any job. The sick note was dismissed by the work coach, who said that if he did not sign he would be sanctioned.

Neil Gray: That is another appalling constituency case of which we all have many. I am about to raise one myself.

Ronnie Cowan (Inverclyde) (SNP): My constituents had universal credit rolled out last November, and we have been bearing the brunt of it since then. The only measurable difference we have seen is that food bank referrals have gone up by 70%. People cannot wait for the Government to make up their mind on how they are going to fix this system.

Neil Gray: I wholeheartedly agree with my hon. Friend, as do the expert charities and organisations involved in alleviating food poverty. The Secretary of State will, of

course, claim to have listened to concerns and made a concession by apparently reducing the time taken to process advance payments and crisis loans. Leaving aside the point that I have already made that for many, myself included, the very fact that these advance payments exist highlights that universal credit is failing, I struggle to see what has changed since his announcement. I know from my written parliamentary question this week that there is no data available on how long the claims took to process previously, but my suspicion is that it will not be too dissimilar to before the supposedly big concession in the Secretary of State's Tory conference speech. I do not think that anything has really changed.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): It is important to understand and address all the unintended consequences of universal credit. Does the hon. Gentleman agree that it is vital for the Government to talk more to local authorities, which are often on the receiving end of people in crisis—those who have been made homeless or who are struggling to pay for food for their families? As an illustration, universal credit claimants make up 15.4% of all local authority tenants in my borough, but they account for 49% of all tenant arrears. That is not unusual.

Neil Gray: I agree, and I think it is good for agencies to talk to each other to ensure that the system works as smoothly as possible.

In spite of the concessions and potential changes, and in the full knowledge of the evidence of the harm that universal credit is doing to our constituents, the Government are determined to press on. As the House of Commons Library briefing points out, the problems include

“financial hardship and distress caused by lengthy waits before the first payment of UC is received, compounded by the 7-day ‘waiting period’ for which no benefit is paid; some, particularly vulnerable claimants, struggling to adapt to single, monthly payments in arrears; inflexible rules governing Alternative Payment Arrangements such as direct payment of rent to landlords;”

and

“increases in rent arrears, with serious consequences not only for claimants but also for local authorities and housing providers, as a result of exposure to greater financial risk”.

That is why the Scottish Federation of Housing Associations has circulated a briefing ahead of this debate in support of a pause and fix of universal credit. In addition, homelessness claimants have been unable to get help with the full cost of emergency temporary accommodation.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The point that the hon. Gentleman makes about the impact on social landlords and housing associations is absolutely correct. We have not yet seen the full roll-out in Cardiff—it is not due until the new year—but I have been contacted already this week by social landlords who tell me that average rent arrears are as much as £500 for universal credit claimants, and that some have had to wait as long as three months to get their payments in place.

Neil Gray: That is one of the most baffling areas, and one of the easiest for the Government to reform. It is causing untold stress to social landlords and to our constituents, who are being made homeless as a result of a massive rise in evictions.

Jim McMahon (Oldham West and Royton) (Lab/Co-op): Does the hon. Gentleman accept that the breaking of the system has gone too far when organisations such as the Greater Manchester Law Centre refuse to support universal credit, on the basis that it results in further adversity and punishment for vulnerable people?

Neil Gray: Yes, absolutely. The Trussell Trust has reported a 17% rise in food bank aid in areas in which universal credit has been rolled out, which is double the year-on-year rise in the rest of the UK. There is, therefore, a direct correlation between the roll-out of universal credit in its current form and people living in food poverty. That cannot and should not be ignored. Citizens Advice in East Lothian, where UC has been rolled out, says that more than half its clients on UC are £45 per week worse off. The third of clients who are better off are up only 34p a week. Citizens Advice Scotland says that rent arrears are up 15% in UC areas, compared with a 2% drop everywhere else in Scotland. The DWP's own figures show that one in four UC claimants wait longer than six weeks—some of them up to 10 weeks—to receive a payment.

The SNP has been warning about these issues for years. My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) met the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell), who was then the Under-Secretary of State for Scotland, on 14 March 2013. My hon. Friend was, at the time, the leader of the Highland Council, which was one of the first areas for roll-out. Nothing has been done. The warnings from Highland have been ignored, despite the roll-out being designed to allow improvements to be made as it progressed.

Where universal credit is currently in operation, rent arrears have spiked, because housing benefit is no longer paid directly to the landlord and people are not getting their money on time. Food bank need has grown because of the minimum six-week wait for payment. In-work poverty is rising as new work benefits start to become sanctionable, and the incentive to work is removed by the cuts to work allowances.

Of course, the DWP has claimed, and will claim, that universal credit is motivating people into work, but that is not true on the scale that it would wish us to believe from its rhetoric. The DWP's own figures show that for the 2% of jobcentres with UC, there has been a 3% uplift in employment rates. That accounts for all the factors that contribute to people finding or staying in work. Are the rises in food bank use, rent arrears and in-work poverty really worth a 3% uplift in employment, when many of those jobs are precarious, low-paid and unsustainable? The DWP must look again at cuts to work allowances to really make work pay, cut in-work poverty and allow people to get on. The roll-out is supposed to allow the DWP to adapt where things are going wrong, and to fix the problems. Why, then, are the Government not listening to their own Members, to the expert charities, to the Scottish and Welsh Governments and to constituents?

On the subject of listening to constituents, the hon. Member for Moray (Douglas Ross) is failing his constituents by failing to be here to take part in a potential vote on this issue, which will impact on thousands of his constituents and a huge proportion of children in his constituency. Normally, Whips give slips for votes or business days so

that MPs can take part in important constituency events or travel with Committees. The Government Whips appear to have slipped the hon. Member for Moray so that he can run the line at a football match in Barcelona. Far from standing up for his constituents, who would get sanctioned for not turning up to a work-related meeting—

Lucy Frazer: On a point of order, Madam Deputy Speaker. Is it appropriate, in a debate about universal credit, to talk about the absence or otherwise of a particular Member of Parliament?

Madam Deputy Speaker (Mrs Eleanor Laing): I allowed a passing reference to the hon. Gentleman, because I understand from exchanges at Prime Minister's questions that the hon. Gentleman in question had already been informed by colleagues of the hon. Gentleman who currently has the floor that his name might be mentioned in this context today. I have allowed a passing reference; that is all. I think we have had enough about the hon. Member for Moray.

Neil Gray: To be fair, Madam Deputy Speaker, we have all had enough of the hon. Member for Moray. It is worth a passing mention, because the Moray food bank is also concerned about the fact that the hon. Gentleman is not here today, for the very reason—

Madam Deputy Speaker: Order. We will return to the subject of the debate.

Neil Gray: At the start of the year, Mr James Moran from Harthill in my constituency qualified as an HGV driver and managed to find work on a zero-hours contract as a driver while also receiving universal credit—exactly the sort of scenario under which universal credit was supposed to work better. Not long after gaining employment, however, Mr Moran was sanctioned, despite being in employment. As he started the process of appealing the sanction, he suffered a stroke, which meant that he was no longer able to work as a driver. As the sanction was still in place, he returned home from hospital with no means of receiving an income. Despite getting some help from his elderly parents, Mr Moran struggled with no money whatever for more than a month. He then suffered a second stroke. Mr Moran has advised me that the doctors who treated him in hospital at the time of his second stroke admission told him that the low blood pressure that caused the second stroke was almost certainly caused by malnourishment. That malnourishment was a direct result of a DWP sanctioning error, forcing Mr Moran to live without an income—to live on fresh air.

I wrote to the Secretary of State about the case on 1 September and have repeatedly chased his office for a reply, but I have received nothing in return to date. The six-week minimum wait appears to be built into the Secretary of State's correspondence turnaround as well. I do not take that personally, because I gather from press reports that the Chair of the Select Committee on Work and Pensions has had similar problems with getting the Secretary of State to put pen to paper. Perhaps he will now chase a reply.

The revelation last week that our constituents on universal credit had to pay 55p a minute was a further dent to the public's confidence in this Government's handling of universal credit. It should not really have

been much of a revelation, as my hon. Friend the Member for Glasgow South West (Chris Stephens) has been raising the telephone tax issue for months—and what a win for my hon. Friend this morning, as, following his ten-minute rule Bill in February, the Government have finally announced that the phone line will be free. But why must we wait until the end of the year for all telephone charges to be scrapped? The Government should bring in that welcome concession now.

Alex Burghart: Did any SNP Members, when they raised this issue, ever point out that there was a call-back service?

Neil Gray: Yes, we did. The hon. Gentleman's intervention completely misses the point. *[Interruption.]*

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Why are hon. Members shouting?

Neil Gray: It is little wonder that the Government have moved. We all watched in horror as the Chief Secretary to the Treasury was put up to defend charging people with no income—living on fresh air—55p a minute to get help and answers about why their payment had been delayed. She told viewers of the BBC's "Daily Politics" to go to their local jobcentres instead of lifting the phone to the DWP—the same jobcentres her Government colleagues are shutting. After being pressed time and again by Andrew Neil, the Chief Secretary, who has quite a bit of influence over financial matters in this country, could neither defend nor explain why people on zero income were paying more to access help than people under investigation for tax fraud, although the irony appeared to be lost on her.

The idea that this concession has been made to appease the Opposition or just a few concerned Government Back Benchers is of course nonsense. This morning's concession was made for no other reason than to try to deflect attention from the fact that this Government do not carry the support of their own side of the House, never mind of the House in its entirety. It is a red herring to divert press and media coverage away from the rebellion on the Government side of the House.

In conclusion, I return to the other areas on which the Government could act now at little cost, but which would benefit so many people. In doing so, I wish to appeal directly to Tory and Democratic Unionist party Members who have been working hard behind the scenes to try to get the Government to shift. Tory MPs have raised this issue with the Prime Minister, and DUP MPs have signed early-day motions consistent with the motion. The appeals have been made, the case has been made and the evidence is there for all to see: universal credit in its current form is failing those it should be helping. We all want this system to work, which is why I have done what I can to help those on all sides to make this case.

The time has passed for walking by on the other side. It is crucial that we vote tonight to say to the Government, "You cannot just ignore this any longer. You cannot plough on regardless. You must act, and act quickly." Yesterday, the Prime Minister and the Secretary of State met concerned Tory MPs, who made suggestions that would garner support across this House and make a major difference to people on universal credit. It is crunch time now. What are Ministers and concerned Tories to do now? We have an opportunity this evening

to make a real difference. That is what we all came into politics for—to make a real difference, and to see a problem and to fix it.

The Government, when given a way out of this entrenched position, appear to have chosen to plough on, turning their face against reasonable offers, in the face of the evidence of destitution. I say to the DUP and to Back-Bench Tory MPs, on behalf of their constituents and mine in Airdrie and Shotts, "Don't give up the powerful position you find yourselves in tonight. Take the opportunity to force real change, send a message to the Government that they know they cannot ignore and vote for the motion to fix universal credit."

2.43 pm

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): I rise to support my right hon. Friend the Secretary of State, who I thought made an excellent speech. I congratulate him on the courage and the spirit in which he produced his commentary against quite a lot of what is really scaremongering about the way in which the system has been designed.

First and foremost, the point I would make about universal credit is that it was designed to simplify the system, as well as to get more people into work. The second but very important element is that universal credit is about dealing with the very great difficulties of identifying those people—the minority, admittedly—who need universal support and then, with councils, providing them with help on debt counselling and getting them into the banking system in order, basically, to get them ready for work. Until now, those people have by and large been written off and forgotten about in a complex system—disjointed between councils and jobcentres—that did them no favours and provided them with no support. That is what we were trying to get rid of and believed we were actually getting rid of.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Will my right hon. Friend give way?

Mr Duncan Smith: I recognise that time is limited, so I will limit the number of times I give way.

Universal credit is not just about getting people into work; it is actually about changing lives so that those people are ready and better able to enter work. Why are there monthly payments? The very simple answer is that over 80% and rising of all work is paid monthly, and the figure will soon be close to 90%. That means that if people are not ready, able and prepared to pay bills and deal with their money in monthly periods, they will never survive in the world of work, as has happened to many people crashing out of work.

Neil Coyle (Bermondsey and Old Southwark) (Lab): Will the right hon. Gentleman give way?

Mr Duncan Smith: I will give way to other Members in a minute, but let me make a second point. When it comes to housing, why do we want people to pay their rent, rather than always have it paid for them directly? There is a simple answer. All too often, housing associations and local authorities receive the money directly, but then do very little for the tenants. They often know very little about their tenants, and they quite often care even less about their lives. The result is that many tenants run up arrears because nobody bothers to get involved.

Several hon. Members *rose*—

Mr Duncan Smith: I will give way in a minute.

That is why universal support—now bringing in councils—will identify such people and help them. That is the purpose of universal credit.

Michael Tomlinson: Was my right hon. Friend as surprised and disappointed as I was, during Prime Minister's questions, to hear this policy described and characterised as “calculated cruelty”? There is nothing cruel about getting more people into work. There is nothing cruel about encouraging more people to work more than a mere 16 hours. There is nothing cruel about simplifying an overly complex system. The cruelty is trapping people in a lifetime of benefits.

Mr Duncan Smith: I thank my hon. Friend for that intervention.

Stephen Timms: The right hon. Gentleman has explained the theory of the four-week delay, but does he accept that that theory simply does not work for the very large number of people who are still paid weekly?

Mr Duncan Smith: It is not a theory, but I will come on to that in a minute. The right hon. Gentleman and I have had plenty of conversations and discussions about the structure of this, and I want to take him up on that point.

I want to make the point, which is not often referred to by Labour Members, that the whole nature of the roll-out was deliberately set so as not to repeat the grave mistakes made when they rolled out tax credits and other benefit changes.

Neil Coyle: Will the right hon. Gentleman give way?

Mr Duncan Smith: No, because I am conscious that others want to speak, but I will come back to the hon. Gentleman in a minute.

I recall that my surgery was full of people who, under the tax credit changes, found they had no money at all. When Labour rolled out tax credits in a big bang, over 750,000 people ended up with no money at all. Since then, the thresholds have had to be raised dramatically to get money to those people.

Kate Green: Will the right hon. Gentleman give way?

Mr Duncan Smith: I will give way in one second.

The roll-out of universal credit has been deliberately designed—it is called “Test, learn and rectify”—so that, as it happens, we can identify where there are issues, rectify them and then carry on rolling it out. I want to give an example of why stopping the roll-out now will not work.

One area that we discovered early on is that landlords were simply unaware of who was on benefits. As a result of all that, arrears would be racked up, but they did not know they could get that stopped and have direct payments made. That will be changed in the next stage of the roll-out, because a portal between landlords and the service centre will allow them to establish that immediately. Unlike the local housing allowance, under which people ran up huge levels of debt, but reset slightly and carried on, universal credit allows them only a two-month

period of debts before they go on to direct payments. That critical change will be one way of resolving the problem.

Neil Gray: It is worth reminding the House that the former Secretary of State resigned because of the cuts being made to universal credit. I am puzzled about why he does not think it is a good idea to implement the potential fixes being suggested during the roll-out.

Mr Duncan Smith: I will come to that. The hon. Gentleman should not worry—I will not resile from why I resigned.

Too much of the debate has been based on evidence that is months old, when rectification has taken place and changes have been made. Let me give an example that has not been mentioned. The mistakes in tax credits and housing benefit mean that more than 60% of those coming on to universal credit already carry debt and rent arrears. Universal credit is identifying those people and having to clear up the errors. That is an important point. Before universal credit, too many people were left to get on with their lives and get deeper and deeper in debt.

Anna Soubry: My right hon. Friend and I are about the same age. Does he share my concern that anyone who is younger than us and listening to the debate might labour—no pun intended—under the misapprehension that, before the election of a Conservative Government in 2010, the previous system was perfect, when it has been bedevilled by flaws for decades? That is why this simplified system, when all the bumps have been ironed out, is welcome.

Mr Duncan Smith: I am grateful to my right hon. Friend, who has borne the years better than me. However, I will do anything for a kind look—[*Laughter.*] Particularly from my right hon. Friend.

It is interesting that, in the past 24 hours, the Joseph Rowntree Foundation has made the following statement:

“Universal credit has the potential to dramatically improve the welfare system, which is fragmented, difficult to navigate and can trap people in poverty.”

It went on to say that the system will help people

“transition into work and will respond better to people's changing circumstances.”

I agree. It would have been nice if the Opposition had started their debate by being clear and positive about how and why universal credit can change lives.

The point about test, learn and rectify is that it does exactly that. My right hon. Friend the Secretary of State made many points in his excellent speech about the changes that are already beginning to happen. For example, some of the rent arrears are beginning to come down and the portal will help enormously with that.

However, I ask my right hon. Friend about universal support, which is the critical other bit of universal credit that no one has mentioned. It allows us to pick up the pieces around universal credit and deal with them on a human basis. Universal credit flags up when somebody has a debt problem and when they are running into arrears. Universal support is vital to work directly with them, using councils, jobcentres and all the other agencies, and hub up around them to help them change their lives on the basis of knowledge about how to pay their bills, their banking facilities and their debts. I ask for reassurance

in the winding-up speech that Ministers will put in the extra effort, focus—and money, when necessary—to ensure that universal support rolls out successfully alongside universal credit. That is critical.

Neil Coyle: The right hon. Gentleman seems to acknowledge that universal credit has not worked for everyone, so does he agree that it has been almost as bad for some of those affected as online reviews of his novel, “The Devil’s Tune”? Comments include: “frighteningly bad”, “rubbish”, “utter drivel” and “hilariously awful—an outstanding compendium of bottomgravy”.

Mr Duncan Smith: I thought that was a reference to the hon. Gentleman’s speaking ability in the House.

Universal credit is a huge driver for positive change that, as the Joseph Rowntree Foundation said, will not just get people into work quicker, but help us identify those in deep difficulty and change their lives. That is the critical element that I hope will unite the House on what universal credit is all about.

We should not stall universal credit because doing so would damage it. Changes need to be made, and the problems that have been discovered need to be rectified as we move forward. The way that the system is being run is therefore right.

I direct my right hon. Friend the Secretary of State to some of my earlier comments. As I said, I hope that the Chancellor will look again the way in which financing for the work allowances has been reduced. I would like that to be changed. My right hon. Friend made a very good point when he said that we keep what needs changing constantly under review. The issue around waiting days is critical—I know that he will consider that and see if the evidence stacks up for whether changing that would make a major difference.

I congratulate my right hon. Friend on moving swiftly to ensure, as was always the intention, that jobcentre staff can pay out the advances on the day or within the week and, more than that, notify every would-be recipient of universal credit that they are eligible to receive them. That will dramatically change the position of many who have found themselves in difficulty because of the monthly wait.

Angela Crawley (Lanark and Hamilton East) (SNP) *rose—*

Stephen Lloyd (Eastbourne) (LD) *rose—*

Mr Duncan Smith: I apologise, but I am about to conclude.

Universal credit is the single biggest change to the welfare system. Those who care about it know that it is capable of dramatically changing lives for the better. My party should be proud of it. I will therefore not support the motion because it intends to stop the roll-out and damage universal credit for short-term political reasons. We should resist that, ask the Secretary of State to make the changes, but not stall the roll-out because universal credit changes lives and delivers an improved quality of life to thousands of people.

Caroline Lucas: On a point of order, Madam Deputy Speaker. I hear that political journalists are tweeting that the Government do not plan to take part in the

vote later. That would be a show of contempt for the Chamber and our constituents throughout the country. Is there nothing you can do to prevent the Government from opting out of the Chamber’s democratic procedures?

Madam Deputy Speaker (Mrs Eleanor Laing): The tweets of political journalists are certainly not a matter for the Chair. I class that as rumour, which is not a matter for the Chair. What the Government decide to do is a matter for them, but we have several hours of debate ahead. That is the important point for the Chamber to note.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. Before I call the next speaker, it is obvious to the House that a great many people—about 85—wish to speak. I will therefore have to put a formal time limit of four minutes on speeches. I want to give that warning now so that hon. Members can trim their orations accordingly. Everybody may sit down now. I will not impose a formal time limit on the Chairman of the Select Committee on Work and Pensions, whom I trust to take a reasonable and correct amount of time.

2.58 pm

Frank Field (Birkenhead) (Lab): I simply want to ask the Secretary of State a question. He said in his contribution that the scheme was working well—indeed, working so well that he was accelerating the pace of the roll-out. I reported to him in the Select Committee meeting this morning that Birkenhead food bank, after talking to other food banks in areas that have experienced the roll-out, believes that it will need 15 more tonnes of food this Christmas. What message should I take home, please? Should I tell the good citizens of Birkenhead that the food bank is scaremongering, that we should pay it no attention, and that we should take the Secretary of State’s word that the system is rolling out well, or that they should contribute the extra 15 tonnes to the food bank to prevent people in Birkenhead from being hungry over Christmas as a result of the roll-out and the right hon. Gentleman’s inability to deliver a scheme that works?

2.59 pm

Mr Mark Harper (Forest of Dean) (Con): I will follow your strictures, Madam Deputy Speaker, and be relatively brief.

Let me take first the words on the Order Paper, which do not bear any relation to what the shadow Secretary of State said. She said she was asking the House to support a motion to pause and fix universal credit, but that is not what it says. It is what the title said yesterday, but between yesterday and today all the Opposition are now calling for is for us to pause universal credit and not bother doing any fixing at all.

Mrs Main: Perhaps my right hon. Friend needs to look at the Annunciator. We have moved on. We are now not pausing; we are just discussing. There is no mention of “pause”.

Mr Harper: I was grateful for my hon. Friend’s earlier intervention, which was taken up. It is a serious point. The former Secretary of State, my right hon. Friend the

[Mr Harper]

Member for Chingford and Woodford Green (Mr Duncan Smith), made the point that pausing the roll-out of universal credit does not help anybody, given the positive effects it is having on getting people into work and allowing them to progress in the workplace. My right hon. Friend the Secretary of State made the point that this is both an in-work and out-of-work benefit. That means that those who are out of work and are thinking about taking a job can have the confidence to do so, because it will not mean throwing up in the air all their existing arrangements for paying for their house and supporting their family. They will have the confidence to take on that work and to take extra hours, because they know they will be better off and that if it does not work out they will not have to go back to the drawing board.

Ms Karen Buck (Westminster North) (Lab): One of the principal concerns about universal credit is what is happening to people's housing costs. Is the right hon. Gentleman aware that two-thirds of all private landlords now report that the people on universal credit they are renting to are in arrears? Will he support the call of housing charities for changes to be made to the roll-out of universal credit to make sure that when people take that step into work they do not put themselves at increased risk of losing their home? As currently envisaged, that is exactly what the roll-out will do.

Mr Harper: Let me address part of that point now and I will also come on to it later in my remarks. We should not compare universal credit with some mystical world of perfection; we should compare it with the existing system. Under the existing system, housing benefit is not perfect. There are lots of issues with housing benefit and tax credits in the existing benefit system. I understand that the citizens advice bureau has about 600,000 ongoing cases under the existing benefit system, so we are not talking about comparing universal credit with perfection. The existing system is not very good, does not work very well, and does not support people very well. Universal credit is an improvement.

On housing and the direct payment of landlords, which I know is controversial, my own view is that it is better to assume that people can manage their rent themselves. In cases where they cannot, and it is shown that they cannot, my right hon. Friend the Member for Chingford and Woodford Green made it clear—as the Secretary of State did, with the roll-out of the housing portal—that we can deal with that. I do not think it is reasonable to assume that everybody on universal credit is incapable of managing their own money. That is what is assumed with the insistence on paying landlords directly. The other advantage of paying the person directly is that landlords cannot then discriminate against people who get housing benefit. If universal credit is paid directly to you and you make the payment, the landlord does not know that you are a benefit recipient and therefore cannot discriminate against you by having signs in the window saying, “I won't take people on DSS,” which I know some landlords do.

Siobhain McDonagh (Mitcham and Morden) (Lab): Will the right hon. Gentleman give way?

Mr Harper: I do not have very much time and I am conscious that Madam Deputy Speaker wants me to be brief, so let me move on to my final two points.

On the design of the system, my right hon. Friend the Secretary of State is exactly right. It is about setting up a system that is like work, so that those people who are not yet in work have a system that enables them to get into work and manage those challenges. There was talk by the shadow Secretary of State about assuming IT skills. Universal credit is digital by default—it is only by default; people can still apply on paper—and I think 99% of people make claims electronically. In the modern world, most jobs have to be applied for electronically and most jobs require a certain level of IT skill. If someone is not capable of applying online, they will find it very difficult to get into work. It is important that the work coach can identify that requirement, so the proper help and support can be put in place to enable that person to have the digital skills to be able to get into the workplace.

The final point I wanted to address, which I think is potentially life-changing, is the nature of job opportunities open to people. We all know that the existing benefit system has hour limits, so people are unable to take jobs with more hours. There is a 16-hour limit and a 24-hour limit. Employers end up designing jobs around the benefit system, not the requirements of their business or the requirements of the individuals. Universal credit means that an employer can design a job around the requirements of the business. It means that if somebody is successfully working 16 hours and wants to take on more hours to support their family, they do not have to think about the benefit system. They can think about their own arrangements and the needs of their family. They know that universal credit will adjust to mean that they are better off having taken that job and that they will be better off taking those extra hours.

Universal credit is a very powerful benefit and a real change. It will, as has been said, change the culture and the life-chances of many people. I therefore support the continuation of the roll-out of universal credit with a careful test, learn and rectify approach, particularly with a Secretary of State who has demonstrated that he listens. I am not persuaded to support the motion on the Order Paper. I find it very easy to resist that temptation.

3.6 pm

Judith Cummins (Bradford South) (Lab): I am pleased to be called to speak in this very important debate.

I want to start with the quotes from the Joseph Rowntree Foundation mentioned by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). He was very selective, as the foundation was much more cautious about the roll-out of universal credit. Without reform and redesign, universal credit will hurt the very people it is supposed to help: working people, families and communities right across this country.

I am proud that, as a Labour Member of Parliament, I stood in this year's general election on a manifesto pledge to reform universal credit and end the injustice of claimants having to wait six weeks for their payments. During those six weeks, life does not stop. Rents still need paying, food still needs to be put on the table and the heating bills still need to be paid. I am interested in making sure that working people up and down the

country can enjoy dignity, fairness and stability in their lives. Without reform, universal credit promises quite the opposite: it creates instability, uncertainty and injustice.

Working people cannot survive another blow to their finances. Seven years of this Conservative Government has left working people struggling to make ends meet, and universal credit risks pushing many over the edge. This headlong rush to roll out universal credit will have dreadful consequences for this country's children and young people. They will suffer the most. That is what the Government must remember: standing behind their ministerial statements and spreadsheets are real people, real families and millions of vulnerable children.

As the House knows, the scale of child poverty in this country, which is one of the richest in the world, is appalling. One in four children grow up in poverty today: that is 28%, or nine children in every classroom of 30. In my own constituency, over 9,000 children live in poverty—a shocking 34% of all our children. The Child Poverty Action Group has stood against the rising tide of child poverty. Its analysis reveals how working families will suffer: all families with children will be worse off by an average of £960 a year by 2020, and all single-parent families will be left worse off by, on average, £2,380. The Government should be ashamed of these figures. They have created a system that punishes the very people our welfare system was designed to protect. If the Minister is not yet convinced that a change is necessary, I ask that he reflect on the words of a former Prime Minister who described universal credit as

“operationally messy, socially unfair and unforgiving”.

As he will know, those are the words of former Prime Minister John Major. I ask that the Minister listen and pause the roll-out for the sake of working families and children of this great nation.

3.10 pm

Justin Tomlinson (North Swindon) (Con): In highlighting the fact that these are real people, the hon. Member for Bradford South (Judith Cummins) insinuates that Government Members have no understanding, which is absolute nonsense. I went to a school at the bottom of the league table, my father died at an early age, we had bailiffs at the door, and there was no support. We absolutely understand the importance of providing opportunity. That is what drove me into politics and why I support universal credit. I do not want it paused because it offers people a transformational opportunity.

I am not just plucking stats out of the air. I have hosted roundtables, I have visited jobcentres, I have talked to vulnerable people having to navigate incredibly complex, unique and individual challenges, and for the first time, with predominantly cross-party support, we have now introduced a system designed to treat people as individuals and give them tailored support.

Neil Gray: I thank the former Minister for giving way. He emphasised that he did not want the roll-out paused, and I understand his perspective, and that of other Conservative Members, on that point, but he did not mention any potential fixes. Does he appreciate the concerns raised and the fact that in some areas universal credit could be improved?

Justin Tomlinson: I have only just started! And I do not have long.

For me, the key is the simplification of benefits. One had to be a nuclear physicist to navigate the old system. We all saw in our casework some of the most vulnerable people missing out on benefits to which they were entitled. That was the driving priority for introducing universal credit, which removes the cliff edge for those wanting to enter or progress at work and those desperate to build up their hours, particularly those with disabilities and fluctuating health conditions, but unable to break through the 16-hour barrier. That has now been removed.

One of the most important benefits of universal credit is that for the first time people have a named work coach—an individual who will provide them with their own unique and tailored support, whether that be extra training, childcare, housing or, for the first time, in-work support. When I talk to staff in jobcentres, I see how incredibly enthused they are. We have empowered them to identify and bring together the help and support people need. That has been combined with a refresh of our jobcentres. For the first time, there is an attitude of wanting to help, a “can do” attitude—an attitude not of trying to find reasons why people cannot do things, but of doing everything we can to give them that opportunity.

I was asked in the intervention what the fixes were. The obvious one—the one we all wanted to see—was changes to the telephone number, so the announcement today was welcome. I also want to see greater engagement with employers, however, to bring them into jobcentres. My right hon. Friend the Member for Broxtowe (Anna Soubry) mentioned that we were close to full employment, and many of those still looking for work, being very far from the jobs market, need additional help. When I was Minister for disabled people, I talked to many people who were desperate for an opportunity and had skills, but the employers were not coming forward to hook up with that. We, as a society, through our refreshed jobcentre network, need to reach out to employers and say to them, “Where are your skills gaps? How can we help you change and adapt to take advantage of the huge wealth of talent?” With the right support, those people can contribute and make a positive difference both to employers and themselves. That has to be a priority.

We must also recognise the need for local solutions around the training options provided. We all represent diverse constituencies and have different employers. If a town is predominantly retail or manufacturing, that should be reflected in the 12-week programmes. Jobcentres must work with employers to set the type of training available in a way that maximises opportunities.

We have to grasp this opportunity to support people in work. This has never happened before. Most of us were pushed by our families to succeed. If we did well on our first entry into work, we were told to push for a promotion. For many of those entering work, however, particularly those on the national living wage who do not necessarily have that extra support, we should be providing mentoring and support. If they are turning up for work regularly, they should be talking to their employer and asking for a promotion, to be made a supervisor, or whatever it might be. We all want full employment and career progression. This is a huge opportunity and we all have a duty to get behind it. Yes, we are right to challenge the detail, but universal credit is transforming people's lives and I fully support it.

3.15 pm

Neil Coyle (Bermondsey and Old Southwark) (Lab): The roll-out of universal credit affects more than 5,000 of my constituents, as Southwark has been one of the trial authorities for “full service area” and has suffered all the consequences as a result. It is fair to say that it has been a disaster for some of those involved: the individuals left waiting 12 weeks-plus in many cases; the 1,242 Southwark Council tenants facing eviction-level arrears owing to universal credit delays. Only 11% of council tenants are on universal credit, but it accounts for 40% of all arrears—over £5 million. To cite the comparator that the Secretary of State seemed to struggle with: the average account balance for people on housing benefit is £8 in credit; the average universal credit claimant is now £1,178 in arrears.

It is equally damaging for some other landlords. Leathermarket JMB is absolutely brilliant and has done a huge amount of work to support people through the process, despite being denied information and access to the landlord portal at the beginning. Its average tenant not on universal credit is £73 in credit, whereas those on universal credit have arrears of £648 on average. Jobcentre Plus staff know that the system cannot cope and that the IT system is too fragile and inflexible and does not reflect things such as childcare costs or fluctuating incomes.

As for the voluntary sector, according to the food banks and Citizens Advice Southwark, the number of people coming through their doors has gone through the roof. Among the last tranche of people to whom universal credit was extended—[*Interruption.*] The Minister is disagreeing. We have had this discussion elsewhere. I will send him a letter about it rather than get into it now. Following the extension of universal credit to parents, the number of children using Southwark Pecan food bank tripled. That is not uplifting—the word credited to the hon. Member for North East Somerset (Mr Rees-Mogg)—but shameful.

Ms Buck: We have heard from Government Members about the advantages of bringing all the benefits together into a single system, and there are indeed benefits of simplification, but is not the downside exactly as my hon. Friend says—that when something goes wrong in one part of the system, it brings about a potential catastrophe right across the system, including the potential loss of people’s homes?

Neil Coyle: My hon. Friend is absolutely right.

The Government stressed again today that they put a lot of faith in advance payments, but those cannot cover full rent costs. We found out this morning that the new guidance for Jobcentre Plus was only sent out this week, demonstrating perhaps that the Government were more afraid of their Back Benchers in today’s debate than they were concerned to address the underlying problems. We have just had a spat about the landlord portal. It is still not fixed. The Government claim it is, and there is some faster information sharing, but there is no evidence of an impact on cutting delays, inaccurate payments or overall arrears levels. The Government acknowledge that 20% of social landlords will never be included in the landlord portal—and that is before we look at the private rented sector.

There are other solutions that have been put to the Government not just recently but for months and years. We need to end the insistence that only the claimant can confirm rents. There is no point having “trusted partner” status for landlords and then ignoring them when they say that rent is owed. We need to remove the seven-day wait period for housing costs and introduce a transitional period of rent payment for those coming from housing benefit—rents do not change just because DWP decides to force someone on to a different programme. We should also backdate housing costs. All these issues have been on the table, but the Government have ignored them.

The Government also need to improve real-time information collection. We know that DWP and Her Majesty’s Revenue and Customs have now set up a “late, missing and incorrect” joint initiative, thanks to information shared by my right hon. Friend the Member for East Ham (Stephen Timms), but the Department acknowledges that that does not address the system defects. The Government are treating the symptoms not the cause of the problems. Today is an opportunity to pause and address those underlying problems, not to push out universal credit even further, thereby increasing debt, poverty, arrears, evictions, food bank use and homelessness.

3.19 pm

Peter Aldous (Waveney) (Con): In my constituency the full roll-out of universal credit began in Lowestoft in May 2016, and is due to begin in Beccles later this month. In Lowestoft significant problems have been encountered: many vulnerable people have been placed in very difficult situations, and at times the system has struggled to cope. Over the past nine months the position has improved, but challenges remain, and it is important for lessons to continue to be learnt as the roll-out accelerates in the coming months.

On 21 February, the Minister for Employment, who is present, visited Lowestoft. He sat down with local DWP and jobcentre staff, the council leader and council officers, and listened to their concerns. Since then there have been steady improvements. The various agencies involved in the delivery of universal credit are generally working well together. Good initiatives have been introduced: there is a vulnerable people officer front of house, the citizens advice bureau works from the jobcentre, and the district council is holding regular workshops with private sector landlords. There is evidence that universal credit is allowing the jobcentre to support those in low-paid work, which it could not previously do. It is therefore able to improve their life prospects, and get them into work. I also think it appropriate to highlight the Secretary of State’s decision to refresh the guidance for DWP staff to ensure that anyone who needs advance payments is offered them upfront, and to make the helpline free of charge.

While it is right to acknowledge the improvements that have been made in recent months, it is important to recognise that much work still needs to be done. First, the long delays before some claimants receive a payment must stop. The Government must seriously consider implementing the recommendation from Citizens Advice that those who need it must receive a payment within two weeks, which they will not have to pay back.

Secondly, the role of private sector landlords in providing housing for claimants must be recognised, and they must be put on a level playing field with social landlords

when it comes to setting up alternative payment arrangements. The “give tenants a choice” initiative, launched by the Residential Landlords Association and Shelter, should be looked at closely. If something is not done, the housing crisis will be made even worse as private landlords refuse to accept universal credit claimants as tenants. That will put more pressure on social housing, and will almost certainly lead to an increase in homelessness.

Finally, it is important to have in mind the vital role played by local housing authorities working in partnership with the DWP in the implementation of universal credit. They are having to bear the costs of providing emergency temporary accommodation and recovering housing benefit debt. Either those costs should be transferred to the DWP, or the councils should be given additional funds.

I understand why the Government wish to proceed with the roll-out of universal credit, and I give them my support. However, they must proceed with caution. They must not stick rigidly to a preconceived timetable; they must slow down or speed up as circumstances dictate. They should be pragmatic and not dogmatic, and they should continue to listen and respond to feedback.

3.23 pm

Jessica Morden (Newport East) (Lab): I am keenly aware that the full service roll-out is due to start in the Newport part of my constituency on 15 November. As has been made clear by my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), and also by a host of organisations including Citizens Advice, Community Housing Cymru—which represents housing associations in Wales—the Trussell Trust, the Child Poverty Action Group, and the staff of those organisations on the front line, universal credit is not working for far too many people.

Although we support the principle of simplifying benefits, the evidence so far suggests that the design problems in the system, compounded by operational problems, delays and errors, mean that too many people are experiencing real financial hardship. In Newport—and in Caldicot, which will have full service in March—the DWP is dealing with only the simplest of claims from single people without children and without complex needs.

The ramped-up roll-out will widen to include more claims, as yet untested in the system locally. We have already seen cases of people waiting up to eight weeks for payments, not being able to meet financial commitments, borrowing and incurring interest charges, and struggling to catch up while remaining in debt. In my constituency, a family with three young children moved on to universal credit because of a new relationship, but then had to be moved back on to legacy benefits and tax credit because the system was not yet geared up for such cases. That family were left for eight weeks without a single payment, and had to rely on food banks for help.

The Government may decide to stick their head in the sand and ignore these valid criticisms, but let me explain what that might mean in my constituency. As I said earlier, the roll-out in Newport is due to start on 15 November. Given the six-week waiting period, my constituents will be lucky to receive their payment on the day after Boxing Day if it is on time, and not until the new year if it is not. No payments before Christmas will mean real hardship, and any payment received will

be used to survive and to pay for food and heating, which by then—after six weeks with no income—will be a greater priority than paying rent. In neighbouring Torfaen, with the full service roll-out, 27% of Bron Afon tenants who moved on to universal credit in July had to wait an average of nine and half weeks for payment, which led to debt and borrowing from high-interest lenders.

I know that the Government will talk about advances, but they are not an adequate response. They cover only part of the universal credit claim, and must be repaid through deductions. The point is that people are being put into debt immediately. If half the number of new claimants have to rely on advance payments, the system is clearly wrong, and, as was pointed out earlier by the hon. Member for Airdrie and Shotts (Neil Gray), that constitutes an admission that the system is failing.

Kate Green: Does my hon. Friend agree that the problem is compounded by the level of deductions of third-party debt that are allowed under universal credit—for example, council tax or utility bill debt? It is higher than the level allowed under legacy systems, which means that people are left with much less money.

Jessica Morden: I absolutely agree. The point is well made.

I know that housing associations are doing all they can to help tenants, and that there are heavy demands on their advice services, not least when they are helping those who cannot go online. However, as Gingerbread has pointed out, two thirds of single parents are renting privately. What is happening to those with private landlords? Are they able to negotiate longer repayment plans?

I, too support calls from organisations such as Community Housing Cymru which want a pause in the accelerated roll-out of the full service until the problems caused by delays have been addressed, improvements have been made in relation to, for instance, the six-week waiting period and the seven days without pay, and—this was mentioned by my hon. Friend the Member for Bermondsey and Old Southwark (Neil Coyle)—the issue of landlord portals has been sorted out.

Let me finally say a word about our local DWP staff, who are dedicated and extremely hard-working, although I cannot say that I have spoken to many who feel enthused. They are on the front line of the delivery of the roll-out. Their numbers have been cut, and all kinds of changes are taking place in their service. They need to be properly resourced and supported, and the Government must make that a priority.

The movement on the call charges is welcome but overdue. We now need the Government to move further. We need them to understand the very real impact on people, not least in the run-up to Christmas. They must consider the practicalities, and pause the roll-out.

3.28 pm

Edward Argar (Charnwood) (Con): It is right that we are debating this important issue and, given its importance to all of our constituents, it is right that we do so respectfully, recognising, even where we disagree, the evident strength and sincerity of the views of hon. Members on both sides of the House.

The shadow Secretary of State, the hon. Member for Oldham East and Saddleworth (Debbie Abrahams)—with whom I do not always agree in this Chamber, but with

[*Edward Argar*]

whom I frequently agree as my fellow co-chair of the all-party group on dementia—made an important point in her speech, highlighting the need to fix our social security system to ensure it functions effectively. Our challenge is not that our historical social security system is badly designed, but that in many ways it was never designed as a whole at all. It has evolved from myriad changes over the decades, and for too long Governments of all shades shied away from this challenge. Universal credit represents a real step forward in addressing this, and in seeking to design a system fit for the 21st century, and it is the right thing to do.

Universal credit represents a progressive change to simplify the system, to tailor it to individuals, and to help to ensure work pays, removing that dreadful 16-hour cliff edge that previously existed.

Victoria Atkins (Louth and Horncastle) (Con): In the context of the cliff edge, does my hon. Friend agree that under the old system some claimants lost £9 from every extra £10 that they claimed, and that that is what we are trying to correct?

Edward Argar: My hon. Friend makes the point succinctly and effectively, highlighting, too, the great deficiencies of the previous system. The simple truth is that universal credit is helping to get more people into work, which we can all welcome.

On the call for a pause, the shadow Secretary of State did not set out in detail what she wants to see changed through such a pause. What I did, however, hear this morning in the Select Committee was a Secretary of State who is listening, and who cogently set out how the staged roll-out is specifically designed to allow for lessons to be learned and subsequent roll-out to be refined and adapted where improvements can be made, but without the damage that will be done by pausing the roll-out.

Alex Chalk (Cheltenham) (Con): On the roll-out being staged, does my hon. Friend agree that a situation in which currently 8% of claimants are on UC, and the proportion will rise to only 10% by January, hardly amounts to a precipitate roll-out?

Edward Argar: My hon. Friend makes a valid point, which highlights the point that both the Secretary of State and I have made, which is that this is being done in a very measured way.

I join other colleagues in welcoming the Secretary of State's announcement in respect of the telephone advice line and the increased highlighting of the advance payments that are available. It is right that this help is in place, and I hope that my right hon. Friend will continue to take a close interest in how well this is working, making changes where necessary, and ensuring that all those claiming are treated with respect and supported. As my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) set out, universal credit is about treating people with respect and supporting them.

In seeking to ensure that we learn from the roll-out of universal credit and make changes where we can, as the roll-out is designed to allow, we must never lose sight of,

or put at risk, the significant improvement of universal credit on previous systems and the significant benefits it delivers in helping people into work and changing their lives.

3.32 pm

Ms Marie Rimmer (St Helens South and Whiston) (Lab): The Government's aim was to simplify and streamline the benefits system, to improve work incentives, to tackle poverty among low-income families, and to reduce the scope for error. The Government were, however, warned by IT companies that it was not possible to build a universal credit system, bringing the six systems together, in time for implementation, but they ignored that and continued; they developed in haste. The Government also ignored the former Secretary of State, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), when he called on the Prime Minister to reverse cuts in universal credit; it is still necessary to reverse all the cuts made to the initial system.

Former Prime Minister John Major described universal credit as "operationally messy, socially unfair" and socially unforgivable, but the Government did not listen to him. Experience tells us that the online system is far too complex, and was it ever really necessary for the helpline to cost 55p a minute? The announcement today is about appeasing Back Benchers; however, it will help new claimants.

The aim was to improve work incentives, and tackle poverty and low pay, yet the experience is of cuts to taper allowances, with 63% of every pound taken off people. Some families are £2,100 worse off than under the previous system.

Mr Jim Cunningham (Coventry South) (Lab): I cannot see how this can be an incentive for people to go into work when most of the jobs they get are on zero-hours contracts. On the other hand, people are driven to food banks, which were brought in by the Churches to deal with the refugee problem, not to deal with the problems of this country.

Ms Rimmer: I agree entirely with my hon. Friend.

These people are stressed, suffering from the effects of poverty and the indignity of debt and borrowing from family and friends. Many are on medication for mental health issues, and much of this is debt related. My constituency of St Helens South and Whiston suffers from income poverty. Many of the jobs created in the last 10 years pay much lower wages. Some people are holding two or three jobs down and many are on zero-hours contracts. My constituency also has one of the highest prescription rates of antidepressants in the country, and many of those on that medication are young people and parents.

The assessment period for universal credit is based on four weeks working. My families do not have savings to live on for four weeks when they have been out of work, and their extended family does not, so they go into debt.

The Government have insisted on the poor paying the price of banker-induced debt, and they have used the global financial crisis to cut public services and stop the improvements that Labour introduced—policies that were responsible for lifting 1 million children out of

poverty. Since 2010, the number of children in poverty has been rising. The Child Poverty Action Group has published figures showing that a further 1 million children may be driven into poverty, including 300,000 under the age of five—children hungry, children cold, children not able to go to school because they have not got a change of clothes. The Government are responsible for breaking up many families and children are suffering from stress. No wonder we have increasing numbers of children suffering from mental ill health.

The food bank in my full-service area has a 17% increase in usage—more than double the national average. More than half the users are people in work, and many of them are national health service workers.

Vicky Ford (Chelmsford) (Con): Will the hon. Lady give way?

Ms Rimmer: Not at the moment.

A Citizens Advice survey showed that more than 39% of respondents waited more than six weeks for payment, while 11% waited more than 10 weeks and some waited 11 weeks. Where do they get the money from to live and to buy food? Of those on universal credit, 79% are in debt, which puts them at serious risk of eviction. Private landlords are not as understanding as social and charitable landlords. Bailiffs bang on the door, gas and electricity get cut off, and people are even at risk of imprisonment. Of those in rent arrears, 42% went into debt after making their claim for universal credit. Due to long waiting times, many have had notice to quit and been evicted from their family home.

The Government need to stop and open their eyes and ears. They should help, not punish, the poor and disabled. Be fair. Pause and repair this system.

3.37 pm

Rishi Sunak (Richmond (Yorks)) (Con): I believe our welfare system should do three simple things. It must be compassionate to those who need our help, it must be effective in getting them the help they need, and it needs to be fair to those who pay for it. Simply put, universal credit is a rare example of a policy that delivers on all three counts.

To start with compassion, rather than recipients having to make calls to up to three different agencies when something in their life changes, universal credit simplifies the system and ensures that nobody misses out on a benefit that they are entitled to because of a bureaucracy that is simply too complicated to navigate.

Dr Philippa Whitford (Central Ayrshire) (SNP): Is the hon. Gentleman aware that people trying to claim universal credit have reported being on the phone for an hour trying to get their case dealt with? At 55p a minute, that cost is astronomical.

Rishi Sunak: I am sure that the hon. Lady was here and heard the Secretary of State make the point that the calls that have been made were all to local rate numbers. It is not right to say that they were premium rate numbers. As of today, those calls have been made free for all claimants, although they were offered the opportunity to be called back for free if the call charge was difficult. I am aware that the average wait time is two minutes, and of course a wait time of an hour is unacceptable. I am sure Ministers have heard that and

will be doing everything they can to ensure that everyone across the country benefits from a prompt and cheap response.

At the same time as simplifying the system, universal credit humanises our bureaucracy by recognising that those who need our help do not have exactly the same needs. Instead of a faceless homogeneity, for the first time personalised work coaches can compassionately take into account the specific needs of each individual and their specific circumstances, tailoring the approach to them and ensuring that they get the specific help that they need.

Neil Coyle: How simplified, fair and supportive does the hon. Gentleman think it is for the 116,000 working disabled parents who are set to lose £40 a week from the disability income guarantee?

Rishi Sunak: I cannot say that I recognise that figure, because £700 million more was made available in the last set of universal credit reforms, all of which was directed at the most vulnerable in our society.

Neil Coyle: Will the hon. Gentleman give way again?

Rishi Sunak: No, I will carry on, given the number of people who want to speak.

Compassion alone is not enough. The effectiveness of our welfare system should be properly judged by the number of lives that it transforms, and that transformation comes from well-paid work. Universal credit ends the well-documented problem of single parents effectively working for free if they want to work for more than 16 hours. Universal credit ensures that all work truly pays, and it is working. Compared with the system that it replaces, claimants spend twice as much time actively looking for work and, for every 100 claimants who found employment under the old system, 113 will find employment under universal credit. In reality, the lives of more than 250,000 people will be transformed over the course of the roll-out through having a decent job and the opportunity to build a stake in our society.

Finally, universal credit is fair to the people who pay for it. In Britain today, we spend around twice as much on working-age welfare as we do on education. To put it another way, for every £1 that the taxpayer sends to the NHS, they also send £1 to the working-age welfare bill. Given the sums involved, I make no apology for speaking up for those who ask me, “Is this money well spent?”

Sarah Jones (Croydon Central) (Lab): The hon. Gentleman talks of the transformational impact of universal credit, so will he please comment on the transformation for my constituents? In Croydon, two thirds of families in local authority housing are now in rent arrears and face eviction, compared with less than a third before universal credit was introduced.

Rishi Sunak: I obviously cannot comment specifically on what is going on in Croydon, but the reasons for rent arrears are complicated. The evidence shows that the level of rent arrears after three months of universal credit is exactly the same, if not lower, than under the old system.

Returning to the sums involved, universal credit ensures a responsible and sustainable system by putting in place a sensible regime of conditionality. That gives hard-working

[Rishi Sunak]

taxpayers the confidence that when they contribute to the system, not only will that help somebody to get back on their feet, but that the person will also have a responsibility to do their bit. That is fair.

Universal credit is not perfect—no system so large and complex can be—and we should make improvements where we can, but it is significantly better than what it replaces, and the fundamentals of what it is trying to achieve are sound. It has been implemented slowly and methodically. It is insane to argue that it has been rushed when the full roll-out will have taken almost a decade from start to finish. This is welfare reform in action: making things simpler, ensuring work pays, and transforming lives. I urge the Government to carry on with their plan.

3.44 pm

Mhairi Black (Paisley and Renfrewshire South) (SNP): I am going to make a straightforward speech as I am aware of how many Members want to speak. I am conscious that many of our debates involve jargon that is inaccessible to most people who try to follow politics, so I rise to make just three basic points. First, I will explain what universal credit actually is. Secondly, I will describe what has gone wrong since the universal credit roll-out began. Thirdly, I will explain why it is so important that the Government halt—not scrap—the roll-out until we can deal with the problems effectively.

I find myself in a bizarre situation: I am going to stick up for the principles behind a Tory policy. Universal credit is a simplified online-only way of receiving benefits. It rolls together six benefits, including unemployment benefit, tax credits and housing benefit, into one personally tailored payment. It makes sense. For a lot of people, social security used to stop altogether once they began to earn above a certain amount. Universal credit seeks to remedy that by slowly and steadily declining as people earn more through their job, rather than suddenly stopping altogether.

That all seems absolutely reasonable, which is why I stress again that we are not calling for universal credit to be scrapped altogether. We want it to be halted because, like most Conservative policies, the minute we scratch beneath the surface we see the harsh truth. What has gone wrong here? There is a minimum 42-day wait for the first payment, which we have heard umpteen folk talk about, but I do not think the Chamber appreciates the reality of what that means. It means the most vulnerable are being left for six weeks with absolutely nothing.

Angela Crawley: My South Lanarkshire constituency was one of the first in Scotland to see the roll-out of universal credit, and I have witnessed my constituents relying on food banks as they wait up to 12 weeks for their universal credit payment. Does my hon. Friend agree that the policy is clearly not working in practice? Will she invite the Minister to visit my constituency and see how his policy is actually working, because it is a disaster?

Mhairi Black: I thank my hon. Friend for raising that point because I want to say to Conservative Members that none of us is lying about our experiences. We are

not making things up. We are coming to the House with genuine problems that the Government are failing to address.

DWP figures show that around one in four new claimants waits longer than six weeks to be paid—a 25% failure rate: staggeringly alarming given that universal credit is still in its early days. Benefit delays remain a primary reason for the increase in the use of food banks. Citizens Advice has found that, from 52,000 cases, those on universal credit appear to have, on average, less than £4 a month left to pay all their creditors after they have paid essential living costs.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Will my hon. Friend give way?

Mhairi Black: I will keep going.

To progress with the roll-out of universal credit as it stands is callous at worst and arrogantly idiotic at best. We have heard multiple times that people can now apply for an advance payment, but the fact is that those advance payments are nothing more than a loan that has to be paid back at a later date. Simply changing the terms of that loan does nothing about the litany of systemic failures throughout the entire process. All it is doing is creating more of a burden on claimants and forcing people to deal with a problem that is not their fault in the first place.

The Government are almost starting to behave like some kind of pious loan shark, except instead of coming through people's front door, they are coming after their mental health, their physical wellbeing, their stability and their sense of security. That is the experience of all our constituents.

This debate got me thinking about how all this has coincided with seven years of cuts and failures. The Government have failed to rebalance our economy, and they have failed to reach their own fiscal targets. We are not dealing with the national debt; we are simply shifting it on to vulnerable households. We have the worst decade of wage growth in 210 years. To put it in context, that is the length of time since the Napoleonic wars—that is how bad it is just now.

Scratch beneath the surface and we see that things are not as they appear. All we get is clichés about being strong and stable—scratch beneath it, and it is nothing like the truth. We are told that all these cuts are fine because we are introducing a national living wage—scratch beneath the surface, and it is a total lie because the national living wage is 95p below the real living wage.

I have sat in the Chamber and heard over and over again from Tory MPs that the social security reforms have been put in place to incentivise work. That is fair enough, but the Government cannot even incentivise their own Scottish Tory MPs to turn up and miss a football game in Barcelona—don't dare talk about incentivising. I have heard the Government use that argument time and time again to justify their choosing to keep slashing money for the poor. The argument is used to justify the two-child policy and their sickening rape clause. [Interruption.] Conservative Members should listen for a wee second. I have heard it used to justify the sanctions regime while I have stood in this very Chamber and implored the Government to make it more humane—[Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady will be heard.

Mhairi Black: Thank you, Madam Deputy Speaker. As I have a wee bit of silence, let me take this opportunity to say as loudly and as clearly as possible to everybody in here: plunging people into debt does not incentivise work; forcing people into hunger does not incentivise work; causing anxiety and distress, and even evicting some families from their homes, does not incentivise work. Now the good news is that every single person sitting in this Chamber has the power to change this tonight, so listen to us—like I said, we are not making this up. I tell you something: this Government have absolutely no excuse for pushing ahead with this reform after today—halt it and halt it now.

3.50 pm

Luke Hall (Thornbury and Yate) (Con): I am grateful to have a chance to speak in a debate that has had well-informed contributions from Members on both sides of the House. Rather than going over all the arguments we have heard so far, I want to talk about a couple of personal examples I encountered in my previous career in retail, which show why this reform is so important in creating a system where it does pay to work. Retail is an industry where there are inflexible working hours and unpredictable amounts of overtime are often available; it is often dependent on the demand for the products in the store and so on.

Let me give a couple of examples that I saw during my time as a store manager in Lidl in my constituency: almost 10 years. As happens in many discount retailers, we often worked with a skeleton crew in the store—often as few as 12 members of staff. In such a situation, if one or two staff are limited to working 16 hours, it has a big knock-on impact. It does not just affect the individual who struggles to work the overtime, even though they want to; it has knock-on impacts for the business and means salaried employees, who might not be paid any overtime, still have to work late into the night because of the reduced flexibility that the current system offers. That is clearly not what it was designed to do, but it is one unintended detrimental consequence for the business and other employees.

I wish to make one other point about the unintended consequence of the current system for people who want to work more than 16 hours but are prevented from doing so. What they often do in these situations is end up hiding the hours that they work, through moving around holiday pay in the payroll system and even, as happens much more regularly than we might think, through store managers agreeing to pay other employees in the store; the money is received into their bank account and they then pay their friend, who can actually work the overtime but refrains from doing so because of the 16-hour limit. Another point to make on that is that the people who end up willing to be part of those trades are younger and often get paid by the retail business at a lower wage because of that. They therefore end up passing across the lower wage to the person who would work or lose out on money themselves because they transfer across to somebody else from the post-tax income.

One other point about the UC system is that because it offers support to people through the work coach system, it helps a lot of people in industries such as

retail who are under-confident about the progress they can make in that role. When I started as a shelf stacker in Lidl at 18, I was lucky enough to have parents who pushed me to keep progressing through the ranks. A lot of people who are under-confident and do not have that support do not get that sort of help and encouragement to step up through the business. Often we get people who are reliable employees—

Neil Coyle: I am struggling to follow the point, because one of the biggest challenges of UC is that those with fluctuating incomes struggle to get a consistent payment in order to pay their arrears. Although the hon. Gentleman may have been successful in retail, he is going to struggle to sell this particular turkey to employees in my constituency.

Luke Hall: As I say, my experience for many years has been of a hugely detrimental experience for people who try to work over the 16 hours if they are pushed to do so. So I do not accept the point, because I think the work coaches genuinely help people with their confidence in order to move forward. I have seen real-life experiences of that in Tesco and Aldi in my constituency, where I have spoken to employees who receive that sort of support.

In the short time I have left, I should say that I am encouraged by the Secretary of State's announcement of the cancellation of the helpline fees. That is surely a simple and right change to make so that people on low incomes who are struggling to find work do not have to pay those charges. I am pleased by the Secretary of State's assurance that we will not move faster than we should, in order to be sure that the system can take into account any difficulties in moving forward. I look forward to supporting a system that is helping people to move into work faster and to stay in work for longer. Universal credit is helping more people to move into work.

3.55 pm

Grahame Morris (Easington) (Lab): I am pleased to be able to speak in this debate on a matter of some concern to me, because today universal credit is being rolled out in the Easington constituency; mine is one of 45 areas throughout the country in which universal credit is being rolled out this month. Like the hon. Member for Paisley and Renfrewshire South (Mhairi Black), I just cannot stand by and listen to some of the comments from Government Members, who speak as if this is an incidental, unimportant and dispassionate matter.

Some Conservative Members imply that there is no hardship or deprivation; they should walk a week in my shoes and come to Horden, to Easington and to the food banks. *[Interruption.]* Have Conservative Members seen “I, Daniel Blake”? If they have never lived it, it is instructive to try to understand what “digital by default” means. I heard a former Minister, the right hon. Member for Forest of Dean (Mr Harper), say what a wonderful thing digital by default is to incentivise people and prepare them for work, because many job applications have to be made online. That is absolutely true of job applications, but the fundamental difference with universal credit is that in order to remain live, the application has to be updated daily using a smartphone or a PC. Many of my constituents do not have access to PCs and smartphones. Many of them come to my office begging

[*Grahame Morris*]

for food vouchers, and I am allowed to give only three. It is heartbreaking. They have to choose between heating and eating.

How are they supposed to access computers? We have two large centres in the constituency with libraries. Those on the Government Benches are MPs—probably millionaires with comfortable lifestyles—but they do not understand the everyday trials and tribulations of ordinary working people. That is the problem.

Matt Warman (Boston and Skegness) (Con): I represent a deprived coastal constituency. I must say, both personally and on behalf of many of my colleagues on the Government Benches, that the idea that we do not listen to our constituents or see the experiences that the hon. Gentleman sees, and the idea that he has a monopoly on compassion, is profoundly offensive.

Grahame Morris: The problem is Government Members' lack of understanding. The Opposition are calmly and rationally putting forward a solution to pause and fix the problem with the roll-out.

Angela Crawley: Does the hon. Gentleman remember the former Secretary of State, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), saying that he could afford to live on benefits of however much per week? Does the hon. Gentleman reckon that anyone on the Government Benches would be able to live on thin air for the next six to 12 weeks while universal credit is rolled out?

Grahame Morris: I do recall those remarks, and I do not think it is possible. It would be incredibly instructive if Government Members actually lived on benefits and experienced what it is like.

Dr Whitford: Does the hon. Gentleman share my concern, which I am sure is the concern of many Members present who are due to face roll-out in November, or towards the end of November, that we might end up with constituents with no money for food or heating over Christmas and winter?

Grahame Morris: That is precisely the point that I am trying to make. I am afraid that the heat of the moment has tempted me away from the three things that I wanted to say.

As currently constituted, this system will penalise the poor and do nothing to resolve the underlying issues of low pay, housing costs and insecure employment. In my constituency, the Walkers crisp factory is closing down a month before Christmas. One Member on the Conservative Benches said that fewer than 300 people were unemployed in her constituency. I have more than 300 unemployed people from one factory closure.

The East Durham Trust, which is a tremendous initiative in my constituency, is making up food parcels because the Trussell Trust cannot keep up with demand. It is currently raising money to cook food, because some poor people do not have access to cooking facilities. I want to encourage all the good people—not just those on the Opposition Benches and in my area, but on the Government Benches—to donate to such organisations. The East Durham Trust is trying to raise the modest

sum of £10,000, which will be matched by Comic Relief. I was at its 10th anniversary event, celebrating the achievements of the community and voluntary sector.

This terrific event was addressed by the chief executive of the East Durham Trust, Malcom Fallow. He spoke to me about a young boy who was attending the community barbecue, which was trying to feed some of the most deprived and vulnerable families in the community of Peterlee in my constituency. He said that the young boy put a burger in his pocket. When he was challenged about it, he said that he was taking it home to feed his hungry sister. That is an indictment in 2017. It is shameful and it should shame this House. It shames me that, in this great country of ours in 2017, children are going hungry because of a flawed benefit system. It is a system that can be fixed, and we have an opportunity to do that tonight.

Communities such as mine are being forced to create their own food banks to feed their neighbours because the current benefit system—I might say the personal independence payment system as well—is not working. I commend the work of the East Durham Trust; it is a fantastic organisation. However, if this Government showed some compassion and reviewed the system, such organisations may not be so necessary.

4.2 pm

Jo Churchill (Bury St Edmunds) (Con): Like the hon. Member for Easington (Grahame Morris), I too have universal credit rolling out in the main town of my constituency. I do not consider that incidental or insignificant, and I am very saddened by some of the comments that have come from those on the Opposition Benches.

I recognise the significance of the roll-out of universal credit, which has gone live today in Bury St Edmunds, with the Stowmarket area in my constituency following in February. To that end, I have been engaging with the DWP, the local authority, housing agencies, charities and others. As the system rolls out, we must ensure that that close working continues. For example, I know that recently there has been a spike in food bank use locally, which is helpful to know. As we go forward, the success of people's lives is absolutely the responsibility of every one of us in this place.

As for universal credit itself, I welcome the simplification and streamlining of a complicated and frustrating system and the fact that it encourages people back into work. It is welcomed by staff on the frontline and by charities that I have met.

Dr David Drew (Stroud) (Lab/Co-op): So far, everyone has talked about getting people into work, but there is a group of people who are in work—the self-employed. One problem with universal credit is that because of their housing problems those people often end up needing support in that principal area. There is some evidence that the self-employed are particularly badly affected by universal credit. Would it not be worthwhile to look at that aspect in particular and to delay the roll-out?

Jo Churchill: I thank the hon. Gentleman for his intervention, but if he will bear with me I will come on to the areas that I have concerns about.

The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) was talking on this topic on the "Today" programme, and, interestingly, did not offer

any concrete reasons why the scheme should be paused; nor has she done so during this debate. This is an agile system and we are learning. It was first rolled out in Lowestoft in Suffolk, and my hon. Friend the Member for Waveney (Peter Aldous) indicated the problems. I have spoken to the DWP leads to ensure that we understand those problems and that we are looking at concrete solutions. The system has to be fair to claimants and taxpayers. Indeed, some claimants are taxpayers. It will always offer challenges, and there is always a case to improve and ask how the system can be made better.

I represent an area where the average wage is below the national average. It is important to understand that the people I meet in my surgeries are not well off and we need to take time to understand their individual circumstances. Although the number of people who are unemployed in my constituency is comparatively low figure 645, those are 645 people whom my everyday work aims to get into employment. That is why I also talk to employers in the engagement groups to which I reach out.

Of the individuals out of work, about 20% struggle to manage their finances for a multitude of reasons, so being simplistic about the problem does no one any favours. For instance, it is likely that single parents are a group with specific needs, and I have spoken to somebody in the police force who is worried about people with addictions. Are the work support coaches allowed to advocate for the payments of rents in difficult circumstances? I also draw people's attention to the fact that they will get help filling in paper forms, particularly if they have problems using a computer. There were enormous problems in 2003 when tax credits were rolled out. Universal credit is being steadily rolled out—we are only approaching 10% roll-out. We need to work with the system, rather than against it.

I would like the Minister to talk about the portal for trusted partners. I spoke to my local housing association yesterday and it is not yet able to get to it. It is important that housing associations do have access in order to ameliorate some of the problems around rent arrears that we have discussed.

I am keen to see partnership working and a timeline for the trusted partners portal. I am also keen to ensure that we support the most vulnerable people, who we know need that support. Where direct rent payments are needed, we must ensure that they are made speedily with advance payments and all the other support we can give. We need real-time data that show improvements, so that we can show we have a supportive welfare system, not a chaotic one. That is what we are about.

Several hon. Members *rose—*

Madam Deputy Speaker (Dame Rosie Winterton): There are still approximately 60 Members who wish to speak in this debate, so I shall reduce the time limit to three minutes after the next speaker. Do bear in mind that every intervention means that somebody else is less likely to speak, as it adds time to a speech.

4.8 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): This debate is as vital as it is urgent, on something that has deeply affected my constituency and continues to do so. Since the full roll-out of universal credit across all three jobcentres in Newcastle in March this year, it

has possibly doubled the work of my caseworkers and other local agencies. Since its introduction, it has been nothing short of a shambles. To roll it out any further, without dealing with some of its fundamental failures, will just roll out misery for thousands more people. It simply is not working, and in the short time I have I will set out as clearly as possible exactly why.

The deliberate delay in payments built into the system is fundamentally flawed. That does not even include the extra delay due to administrative errors. The Government's figures show that one in five payments is not made on time. I am talking about the very deliberate six to seven-week wait for the first payment. Who, of those just-about-managing people the Prime Minister claims to want to help, could manage for seven weeks without any income? Who, in work, waits six or seven weeks for their first pay packet? The Government are not being straight with people. They are pushing people into spiralling debt and misery that they will take years to manage their way out of, if they ever do. The advance payments—otherwise known as crisis loans—do nothing to resolve that fundamental flaw.

What do the Government have to say about the rent arrears being accrued? Your Homes Newcastle, the arm's-length management organisation responsible for Newcastle's council housing, faces rent arrears of £1.2 million entirely as a result of the roll-out of universal credit, and it is not an outlier. Changing Lives, a supported housing provider in the north-east, states that 100% of its clients on universal credit are now in rent arrears. Is that really the Government's intention?

Digital by default is proving to be disastrous. It assumes that everyone has easy internet access and is computer literate, which clearly is not the case for many people. Constituents are finding it difficult to make their daily updates, to verify their claims and to post activity on their web activity report, which is necessary to stop their claim being suspended—never mind getting hold of a human being to help when the system goes wrong.

Even when my constituents follow the correct procedures, documentation provided to the DWP at constituents' cost is being lost or even destroyed. When constituents or my caseworkers contact the DWP to ask quite straightforward questions, the staff do not know the system themselves. How can constituents be expected to navigate the system when staff do not have the correct training and support to assist people who are having difficulties? Let me be clear: this is not the fault of the hard-working staff at jobcentres and the DWP; the blame lies fairly and squarely with the Government, who have their head buried in the sand.

I am pleased that my constituents will no longer be charged 55p per minute to access much needed support, but that change barely scratches the surface of the problems with the system. The crux of the issue is that the Government should be utilising the painful lessons learned by areas such as Newcastle, where the full roll-out of universal credit has been piloted, to ensure that the myriad problems that have arisen are rectified before they roll it out any further. It is causing real hardship and distress.

We are not asking for the system to be scrapped. We are asking for it to be paused, so that the Government can get this complex system right before they roll out further misery, debt and hardship up and down the land.

4.12 pm

Andrew Bowie (West Aberdeenshire and Kincardine) (Con): I rise to voice my support for the planned roll-out of universal credit. Universal credit improves lives. It frees people from the benefits trap and empowers them to get back into work. That is supported by evidence. The “Universal Credit at Work” report shows that 71% of people claiming universal credit found work within the first nine months of their claim—a rate that is 8% higher than that of the comparable jobseeker’s allowance claimants. More recent research echoes those findings, with the latest independent research commissioned by the DWP showing that people claiming universal credit on the live service were 3 percentage points more likely to be in work after three months than those claiming JSA, and 4 percentage points more likely to be in work six months after starting their claim. Those percentage differences may sound small, but they are not in the least insignificant. We are talking about many thousands of lives improved by this policy. The independent research paper describes this as a

“sizeable impact for a policy of this nature.”

Nobody in this House is denying that there are issues with the system, which must be expected with so large a reform that affects so many people. That is why it was heartening this morning in the Work and Pensions Committee to hear the Secretary of State announce that DWP helplines will all be freephone numbers by the end of this year. We also had assurances from the Secretary of State, first at the Conservative party conference and again this morning in Committee, that more will be done to advertise advance payments and that guidance has been issued to DWP work coaches, who are now proactively offering advance payments to claimants.

Although I am sure Members would join me in expressing slight concern about the amount and quality of data being gathered on advance payments, I believe that today the Secretary of State has proved that he and the Department hear the concerns voiced by many Members of this House, organisations and members of the public, and that they are prepared to act on them. However, that does not mean that we should in any way pause the roll-out. It is much better that the Government proceed cautiously, with a test and learn mentality—learning and improving as we expand universal credit, refining it as we go along cautiously and steadily. That is the correct approach.

I am not going to criticise any Member of this House or any party for raising concerns about such a massive change to the benefits system, whether on mental health issues, waiting times, or digital literacy. They are, as they have done this afternoon, reflecting their genuine concerns and those of their constituents, and that is what we are all here to do. However, some of the more intemperate contributions to the debate, not necessarily here today but elsewhere and at other times, have erred on the side of scaremongering, which is less than constructive and does not help our constituents in any way. This debate is not about that, however. In my opinion, we must press ahead with the roll-out as it is.

4.15 pm

Anna McMorris (Cardiff North) (Lab): It is obvious once again that this Government care more about saving face than serving the people of this country. This Conservative Government say that they are improving

the lives of working people and getting people back into work, yet they are ignoring pleas from across this Chamber and the country to halt the roll-out of this shambolic universal credit system. We are being told that people should “get up, work hard and get on in life”, but these are hard-working people—families and their children—bearing the brunt of many years of Tory economic failure and austerity cuts.

Mr Seely: Will the hon. Lady give way?

Anna McMorris: No, I will not give way.

The reality is that this accelerated and aggressive roll-out will see an increase in debt, rental arrears, food bank usage, and homelessness—people struggling to make ends meet, with real-life consequences. I know of one family who have had their two children taken into care because they were forced to move into a tent in a park after being evicted when their housing benefit was not paid on time. These children were taken away from their parents not because they were not loved, not because they were not cared for, but because this Government failed them.

It is clear that the current universal credit process is not fit for purpose. It is due to be rolled out in my constituency early in the new year, and I am already getting many people coming to me truly scared about how this is going to affect them. We are seeing an increase in homelessness in Cardiff, especially among young people, with an 18% increase in the past year.

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con): Will the hon. Lady give way?

Anna McMorris: No, I will not give way.

We are also seeing 475 needless deaths every year across Wales alone because vulnerable people are unable to afford to heat their homes. Homelessness and fuel poverty are set to get worse under this system. We have a Welsh Labour Government tackling it, but their arms are tied behind their backs with this roll-out of universal credit.

I am deeply concerned about the effect that this will have on single-parent families, who make up one in eight households, with significant hardship through delays, errors, fluctuating payments, and payments in arrears. At a time when child poverty in single-parent families is forecast to sharply increase, this system must be fixed. Do not let homeless, evictions, debts and misery pile up. Do not allow destitution to get worse in the 21st century. The Secretary of State says that he wants to test and improve the system; he should listen to the overwhelming evidence and halt this.

4.18 pm

Lee Rowley (North East Derbyshire) (Con): Thank you, Madam Deputy Speaker, for the opportunity to contribute to this important debate.

As is the case for the hon. Member for Cardiff North (Anna McMorris), universal credit is coming to my area in Derbyshire shortly. It will be rolled out to about a quarter of my constituency next month, and according to the current time lines there will be a further roll-out next year. Also like the hon. Lady, I am getting a number of people coming to me concerned about universal credit. However, what concerns me is some of the language used by Labour Members, and their

scaremongering. It would be better if the hon. Lady did what Conservative Members are trying to do—assuaging people's concerns, showing them the opportunities, and showing them all the things that have been put in place to make sure that these roll-outs can be done carefully and considerately.

I came here today with an open mind. I have been in the debate since the beginning. I listened to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) as she gave a very heartfelt and measured speech, unlike the Leader of the Opposition earlier in the day. Unfortunately, I am confused about what the Opposition seek to achieve. Yesterday, we were talking about pausing and fixing, but today we are talking about pausing. I have been listening to the Opposition expressing cursory agreement with the principles of universal credit, before launching straight into speeches that completely undermined those principles. The principle that people should have the skills to enable them to get on in the workplace by accessing jobs online was immediately undermined by the speech from the Opposition Front-Bench spokesperson. She agreed with the argument that we need to ensure that people are prepared for the workplace but rejected the notion that because 70% of workers are paid monthly, we should encourage people to budget on a monthly basis.

I do not agree with many of the Opposition's arguments, but if Opposition Members are genuine in their wish to convince Conservative Members about those arguments, as I believe many of them are, perhaps the Opposition spokesperson should not seek to undermine the entire principle of universal credit. What she suggests is not a pause, but a delay. Ultimately, the Opposition seek to undermine the system in its entirety—from beginning to end.

I accept that there have been challenges, and I am heartened to hear from Conservative Members about how those challenges have been partially fixed. When universal credit comes to my area, I will be watching it like a hawk, along with my local citizens' advice bureau, and if there are problems, I will be the first person on the line to the Minister. There are challenges, and this is a test and learn process, but ultimately we have a choice between continuing with a system that will improve things for people, or sticking with the problems that we have today.

4.21 pm

Thelma Walker (Colne Valley) (Lab): What is happening to our country is something of which this Government should be ashamed. This is a country where families cannot feed their children, where people are reliant on the generosity of others and where disabled people face being thrown out on to the streets. We have a Government who do not seem to care, and who continue to push on with their plans regardless. The universal credit roll-out has been a disaster, and it must be halted to make sure the Government get it right. We are not talking about policy or austerity; we are talking about people's survival.

I would like to talk about the impact of universal credit on single parents and families. Research from the Gingerbread charity shows that at the last count in June 2017, single parents made up one in eight households receiving universal credit. Once it is fully rolled out, nearly all the UK's almost 2 million single-parent families will be eligible to receive universal credit. Are we really

saying that it is okay for delays in payments, fluctuating payments and administrative errors to cause families to be evicted? That is what families are facing with the disaster that is the roll-out of universal credit.

Councils and housing associations may have shown some leniency over mistakes, but private landlords, in many cases, have not. Two fifths of single-parent families live in privately rented accommodation, so something needs to change. There are 3,411 single-parent families in my constituency. With nearly a third of single parent families already in debt, it is time the Government supported struggling families rather than continuing with the roll-out.

I turn my attention to a different part of our society that is being deeply hurt by this failed roll-out: our disabled constituents. They often have less disposable income, and they are being hit unfairly hard by this scheme. Evidence from Scope, the disabled charity, shows that a household with a disabled person in it is twice as likely to be in debt as a household without a disabled person.

We need to take a long hard look at ourselves, as a country. We should be a country that makes its systems work for those most in need. We should be a country that supports our vulnerable people. We should be a country that works for the many, not the few.

4.24 pm

Richard Graham (Gloucester) (Con): We have all known the reason for universal credit for a long time, and the day when no employee needs to offer 16 hours of work to anyone will be the day when universal credit has done its job. The reason for this debate, however, is much less clear. I suspect that the changing nature of the motion reflects two problems. The first is that some Opposition Members do not want to fix universal credit, but to destroy it and go back to an earlier world of throwing more money at welfare. The second is that some of them know they cannot fix it, because their own record on tax credits—their big attempt at welfare reform—was an absolute disaster, for which we are still paying in HMRC's annual accounts.

We have heard Opposition Members make a series of remarks that are worth repeating: that this is a “disaster about to unfold”; that it shows a “total lack of understanding”; that their constituents have been “driven into destitution”; that it is “a shambles”; and that they are “not making things up”. Let me share with everyone, but especially with Labour Members, exactly who has been making up what. One week ago, the Leader of the Opposition stood up in Prime Minister's questions and, to bring alive his belief that universal credit is a shambles, said:

“Gloucester City Homes has evicted one in eight of all of its tenants”.—[*Official Report*, 11 October 2017; Vol. 629, c. 324.]

That would mean that 650 of my constituents had been evicted over the past year. The actual figure is eight, seven of whom had such large debt arrears before they went on to universal credit that they would have been evicted anyway.

Let me also share with Opposition Members that those figures—eight people evicted during the past year—are a quarter of the number that Gloucester City Homes, when it was the city council housing department, used to evict, on average, every year during the 13 years of the Labour Government. That was without any complaint

[Richard Graham]

being made in the House by two Labour MPs or the current Leader of the Opposition, who was here for all that time. The hon. Member for Easington (Grahame Morris) said that Government Members do not understand what is happening in our constituencies, but I know what is happening in mine, and I do not need the Leader of the Opposition to tell me; and when it comes to making things up, he should stop scaremongering and get his facts right.

Let me turn to the Government, because this policy is incredibly important. It is our philosophy and our project, and we must get it right, and there are things we could all do to help make that happen. In the time remaining—perhaps someone would like to intervene—let me quickly run through those things.

Lady Hermon (North Down) (Ind) *rose*—

Richard Graham: I am very happy to take an intervention from my friend.

Lady Hermon: That is enormously kind, thoughtful and generous of the hon. Gentleman.

Sammy Wilson (East Antrim) (DUP): No, it was not; it was selfish.

Lady Hermon: No, it was very generous, indeed. Given that the hon. Gentleman and the hon. Member for North East Derbyshire (Lee Rowley) said that almost everything is hunky-dory with the roll-out of universal credit, would he and his colleagues not be astonished if the Government did not push this to a vote? The tweeting going on suggests that the Government are going to abstain, but would he not like to have an opportunity to vote?

Richard Graham: I agree with so much of what the hon. Lady says—I love her constituency—but rather than respond to that point, let me highlight what we can all do to make sure that this is a success.

First, the moment when the landlords portal opens and our housing associations become trusted partners will be absolutely crucial, and we need to know when it is going to happen for which housing associations. Secondly, I believe that if we have a main housing association in our constituency, it needs to have somebody inside the jobcentre and working with it when people move on to universal credit. Thirdly, we need to know how many of our constituents moving on to UC are getting advances. We know the national figure, but we do not know the figure for our constituencies. Fourthly, we need to know when the citizens advice bureau is alerted to a problem by a constituent. I have an escalation protocol with my CAB, and I recommend that to everyone, because it is very important for us to know about such problems as soon as possible. The next thing we need to know—

Madam Deputy Speaker (Dame Rosie Winterton): Order.

4.29 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Thank you, Madam Deputy Speaker, for calling me to speak in today's important debate.

I know that many Members on both sides of the House share my concerns, but they are also shared by many outside this House. They are shared by organisations at the forefront of supporting people through difficult periods and supporting the most vulnerable in our society, such as Community Housing Cymru, Citizens Advice, Shelter, the Child Poverty Action Group and the Trussell Trust—to name but a few.

Those organisations know at first hand how a system is meant to work and when something is not working, because they are generally the ones picking up the pieces when people's lives are turned upside down by debt and anxiety, caused at this time by problems with the roll-out of universal credit.

We have heard and will continue to hear throughout the debate evidence that the roll-out causes significant hardship and undue stress. The Government must listen to the genuine concerns from across the country to prevent further hardship. Those concerns do not constitute negativity and scaremongering, as some Conservative Members suggest, but reflect reality.

Clearly, the first thing that needs reconsideration is the six-week waiting period. In most circumstances, people do not have savings or money set aside to cover day-to-day living expenses during that time. Advance payments are not a solution for claimants who cannot wait a minimum of six weeks for their first payment, as they cover only part of the claim and must be repaid through a deduction from future payments. In most circumstances, an advance payment will not cover the costs of a tenant's rent, leading to arrears, claimants needing to use food banks, and to increasing debt and poverty.

I understand from some housing providers that they often receive conflicting messages from DWP staff while those staff are gaining the full knowledge and skills to administer the new system. A pause and period of reflection would allow the Government to address issues with the helpline, and offer training and support to DWP staff to ensure consistency of information for both tenant and landlord.

With the proposed roll-out being accelerated significantly from this month, it stands to reason that the problems identified so far will be magnified, leading to thousands of families facing an uncertain time in the run-up to Christmas and well into the new year. If the system is creaking now, rolling out at the proposed pace will make matters a lot worse.

In my view and that of many colleagues in this place and outside, the Government need urgently to reconsider the roll-out to address the very real concerns, undue hardship and anxiety that the policy is causing and look at how it can be improved.

4.31 pm

Jeremy Quin (Horsham) (Con): I hope that the Minister and my other hon. Friends will bear with me if I quote the National Audit Office's withering analysis of Government failure:

"the systems do not work as intended, causing problems for claimants, employers and the Department... there were serious problems with system performance... which affected stability; speed; and availability."

The roll-out caused massive payment problems and huge knock-on impacts throughout the system. The NAO's words were an indictment of colossal failure.

My hon. Friends on the Treasury Bench will be relieved to hear that the report was written in 2003, when the introduction of the tax credit regime by the Labour Administration gave us a perfect example of how not to do it.

I support this Administration's purposeful roll-out of universal credit, which allows time to test, learn and rectify. No one can genuinely accuse the Government of rushing headlong into a scheme that is taking a decade to roll out.

When I speak to people in my local Jobcentre Plus, I hear genuine enthusiasm for universal credit, and recognition that the agile system is improving with every roll-out and becoming more user-friendly.

Let us not forget the complaints from hon. Members of all parties about the clunkiness and adverse consequences—still much in evidence around the country—of the former system. Let us not forget its complexities, with three different providers and six different benefits; the 16-hour rule; the lack of flexibility when people start what may be a short-term job, but could prove a valuable stepping stone to a long-term career.

At its most basic, universal credit helps individuals into work, allowing them to keep more of the income that they earn. Those on UC are more likely to enter the workplace within six months than their peers with the same qualifications and characteristics on JSA. Universal credit is about not just getting people into work, but what happens when they are there.

I pay tribute to the shadow Secretary of State for remaining here throughout the debate. She quoted from a report by the Select Committee on Work and Pensions. However, she did not choose to quote from its report on in-work progression, which made it clear that universal credit has

“the potential to be the most significant welfare reform since 1948... It promises to break the cycle of people stuck in low pay, low prospects employment.”

All that is not to say that the system is perfect. Of course, there will be issues, some heartrending, that need to be resolved. However, that is true of every benefits system, and certainly true of the predecessor that universal credit replaces. The difference is that universal credit, as well as being right in principle, has proved itself adaptable and responsive: 50% of new claimants securing advances; the new landlord portal referred to by my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith); and the consistent improvement in the time it takes to make payments. They are all examples of how the system is adapting. It is a system worth working with.

4.34 pm

Tonia Antoniazzi (Gower) (Lab): I know I have not been here for long, but I am having difficulty believing my ears when I hear some of the stories from my hon. Friends who have already had this system rolled out in their constituencies. I am astounded by what I hear from some on the Government Benches and appalled when they say it is those of us on the Opposition Benches who are scaremongering. It leaves me to genuinely wonder what colour the sky is in their world. But I stand here thankful to represent my constituents, and to stand up for a better Gower and a better Wales for our children to grow up in.

I took a bit of a bashing on Twitter this week, because I said the Government had shown a lack of empathy when it came to universal credit. As a former teacher, I love to learn and I am happy to be proved wrong, so I call on the Government to show empathy now. This is a chance for the Government to show that they have listened to the serious concerns that many Members have raised today. I hope they will show empathy, so that my constituents, who will have universal credit rolled out just before Christmas, will not have this hanging over their heads during the holidays. Who will my constituents turn to when they need to apply for their “loan” and the offices that provide support are closed? How will the DWP staff cope in that short period of time with such requests in addition to their normal duties?

I already have working people coming to my constituency office helpless and looking for a referral to the food bank to feed their children. What will it be like at Christmas when council figures estimate that people in work in Swansea will be £42 a week worse off? All I ask is that the Government show some empathy to the parents who need to juggle childcare and work as they try to provide the best they can for their children and families. Show empathy and give a more compassionate start date to the roll-out of universal credit in Gower and Swansea.

All the evidence shows that the roll-out of universal credit will see in-work poverty soar. There is a wealth of evidence from across the country that where universal credit has been introduced evictions are up, the use of food banks is up and the number of people in in-work poverty is up. Significant changes are needed. I wholeheartedly agree with the hon. Member for Paisley and Renfrewshire South (Mhairi Black). She is right when she says that those of us on the Opposition Benches—see how many of us are here—are not making it up. The Government need to consider a pause.

4.37 pm

Alex Burghart (Brentwood and Ongar) (Con): I am grateful for the opportunity to speak in this debate, Madam Deputy Speaker.

I have been following the progress of universal credit since its inception about 10 years ago. The shadow Secretary of State asked, at the start of her remarks, how did we get here? How did we get to a place where there is a new benefit system on the table whose principles are agreed by most in this House? Those principles have been agreed because they make sense and because the welfare system we inherited was a disaster. It has been a disaster since its birth in 2003: it cost £1.9 billion in errors, left hundreds of thousands of people with too little money and created a system that paid people not to take work. It left people worse off if they took on more work. We saw a taper rate that left only 4p in the pound when some people worked more than 16 hours a week. This was and is a benefit system that spends tens of billions of pounds to discourage people from working more hours. It is a disgrace and it needs to be replaced.

From those key mistakes, universal credit has learnt how to roll out a benefit and what sort of benefit to build. The sort of benefit to build is one that encourages

[Alex Burghart]

people to move into work and to take on more work when they do; and one that has a taper rate that leaves people not with 4p in the pound, but 37p. It is a system that has learned from its predecessor. In particular, an important lesson has been learned about how to introduce a big new benefit. There is no big bang in the system. This is a “test and learn” process. As my right hon. Friend the Secretary of State said, we are moving from 8% roll-out to 10% roll-out at the start of next year, meaning that the system is evolving all the time. We are seeing its evolution before our eyes. We saw it today with the change to the phone lines. We have seen it with the advance payments system and the eligibility criteria for people to get their payments paid directly to landlords. Those are all improvements.

Hon. Members must understand, however, that we cannot have a “test and learn” environment if we are not testing. We have before us an opportunity to roll out a system slowly and get it right. Opposition Members want a pause. There has just been a pause in the summer—no new jobcentres were taken on in August and September—and there will be another pause in January. The pauses are built into the system already, and the system is using them as opportunities to develop. Labour introduced a benefit in 2003 that was a mess, and it introduced it badly, and now it is trying to make a mess of its successor.

4.40 pm

Sammy Wilson (East Antrim) (DUP): I am surprised by the intensity of the controversy that has crept into this debate. The Labour party and the Scottish nationalists say they support the principles behind universal credit—that will have implications for how it operates—and the Liberal Democrats actually helped to introduce it, yet we have this degree of controversy. Of course, we have heard hard stories today, but let us be clear: the existing system produces hard stories. In my constituency, every time there is a “take up of benefit” campaign, we find that people are losing out on millions of pounds of benefits because the system is so complicated. A new system that helps to reduce that complexity is bound to help people in hardship.

Yasmin Qureshi (Bolton South East) (Lab): I have been a constituency MP for the last seven years, and since the roll-out of universal credit, I have seen more people come to my advice surgeries with problems about getting their universal credit, and that includes people who are working.

Sammy Wilson: If we added up the number of people who come with tax credit and benefit problems and so on, I guarantee we would find the same level of dissatisfaction with the existing system.

I accept that there are problems with the new system, but we have to give some credit to the Government for listening. We have raised several issues in our discussions. There were the online difficulties, and we now have free telephone calls. There were difficulties with people not having money, and we now have greater access to early payments. There were difficulties with the learning processes, and the Secretary of State said twice today that he did not intend to rush the system so that he could test, learn and rectify.

Lady Hermon: Instead of praising the Government for what they have done today, the hon. Gentleman, I suggest, should turn his mind to the situation in Northern Ireland. We have no functioning Assembly or responsible Ministers to deal with any of the problems that will arise when universal credit is rolled out across Northern Ireland. May I urge him to give a commitment to the House that his party will get together with Sinn Féin, which makes such a song and dance about welfare reform, and restore the Assembly as a priority?

Sammy Wilson: I am surprised that the hon. Lady, as a Unionist, has not identified where the real problem lies in reforming the Government in Northern Ireland—with Sinn Féin. We are happy to enter government tomorrow with no preconditions to sort out these problems.

That brings me neatly to the point I want to make. When universal credit was first suggested—I was a member of the Executive at the time—we sat down and identified what we felt the issues would be. Even without a functioning Executive in Northern Ireland, changes have already been made in the system there which I believe will show that some of the difficulties that have been raised here today can be dealt with. For example, automatic direct payments to landlords are built into the system. I do not accept the argument that it is good to give tenants money for rent so that they can then pay it back. The money is not part of disposable income; it has to be used for a specific purpose, and therefore there is no reason why it cannot be paid directly. That is what will happen in Northern Ireland, and I suspect that we will not have the same level of rent arrears. If that proves to be the case as universal credit is rolled out, I trust that the Minister will learn from it, and will rectify the system in the rest of the United Kingdom.

It was said earlier that 76% of people in the United Kingdom are now paid monthly, but those on low incomes are usually paid on a weekly or two-weekly basis. The first thing that many of my friends on low incomes do when they start a new job is ask for a sub in the first week, because they cannot manage otherwise. For that reason, I hope that what we have decided in Northern Ireland will eventually be replicated in Great Britain, and payments will be made on a two-weekly basis unless people ask to be paid monthly. We recognise that domestic violence is an issue, and that some people may be afraid to ask for the money, especially if they are caring for children. A split-payment system must therefore be considered.

If there is a vote this evening, we will abstain, not because we do not believe that there are problems, but because we believe that it is better to talk to the Government and look for solutions. Let me say this to Labour Members. They know that there are differences between us and the Government—and at times they try to exploit those differences—but we will not be used for the purpose of headline-grabbing defeats of Government flagship policies, rather than trying to find a way of resolving the issues that need to be addressed.

4.47 pm

Mr Simon Clarke (Middlesbrough South and East Cleveland) (Con): It is the hallmark of a fair welfare system that it includes a strong and effective way of helping people who are out of work to find employment, and, by doing so, allows them to enjoy the dignity,

confidence and self-reliance that comes with the ability to provide for themselves and their families. In that regard, we should never take the Government's achievement since 2010 for granted. There are 3 million more people in work, unemployment in my constituency has halved, and our national unemployment rate is half that of the eurozone.

None of that happened by accident. It happened as a result of the hard work done by companies large and small, and as a result of carefully calibrated Government policy. That progress could—and, I believe, would—be undone in an instant were the shadow Chancellor ever to have an opportunity to unleash his programme of hundreds of billions of pounds of unfunded spending, and nationalisation with Parliament determining “fair compensation” for shareholders, all in the context of a crippling loss of investor confidence and a run on the pound. Despite the progress that we have seen, however, there is further to go, and that is precisely why I support universal credit. Its purpose is to deliver fundamental reform, and to replace a contradictory, and sometimes impossible, set of conflicting benefits with a single simplified payment.

The key question to ask about any policy is “What incentives does it create?” In the case of universal credit, the policy aligns the incentives so that work always pays. In my constituency, too many lives have been blighted for far too long by joblessness. I challenge Opposition Members to go to a ward such as Park End or Hemlington, and then tell me that it is wrong to end the perverse situation that we inherited whereby some people were losing £9 out of every extra £10 that they earned, which left them with virtually no incentive to work.

Ruth George (High Peak) (Lab): What would the hon. Gentleman say to the nearly 7,000 families in his constituency who currently claim tax credit, and who, according to the Institute for Fiscal Studies, will be £2,500 a year worse off under universal credit?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am more than happy to allow interventions, but if Members who choose to intervene want to look a colleague in the eye when that colleague drops off the list of speakers, let them do so, because that is what is going to happen.

Mr Clarke: In answer to the question, I would tell them that—as I would defend to anybody—this Government are creating jobs and, through their changes to taxes and benefits, making life better.

The fact that I have been elected to serve my constituency shows that people in Middlesbrough South and East Cleveland see through what the Opposition are trying to do. They talk of a pause, but instead they are in effect asking for indefinite delay and the slow death of this policy. That is the reality of what we are seeing here. They talk a good game about supporting the principle, but in reality they oppose it. They should be more open with us and their constituents about that, because the legacy of the last Labour Government was shameful. The real moral outrage was the thousands of people who ended up being trapped on out-of-work benefits for the entire course of the last decade of Labour's time in office, and it did nothing about it.

We are offering the solutions. We are listening and learning, and making changes—consider the advance payments, consider the alternative payment methods, consider the landlord portal. Ministers are listening. This system is capable of reform. No system is perfect; given the challenge we are confronting here, I do not believe any system could be perfect. The point is whether this system is capable of improvement, and it is. The Government are listening, and we should get behind them, make this work and stop scaring our constituents with stories which will cause many of them to lose sleep tonight, not to look for work.

4.51 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): My mum was 94 yesterday. When she came to London in 1947 as a young woman, the cards in the windows said, “No blacks, no Irish, no dogs.” There are no cards in the windows in London any longer, but there is an understanding among landlords that they do not take people on universal credit, and they are beginning to evict their tenants who are on housing benefit.

I do not say that one system is perfect and the other is imperfect. I congratulate the Government on the changes they have made today. Those have, in part, come about because of the force of the Opposition, as is our job. The House is doing its job today: however rancorous or angry it becomes, it is doing its job and making improvements.

More needs to be done, however, and that is why we need a delay. We must not be in a position where nearly a third of families with children in London live in private rented accommodation and will be on a benefit, even if they are in work, for the rest of their lives to meet their private rent, and where the application will take six to eight weeks to be determined. In that time, they will receive a section 21 notice from their landlord, who will start the eviction process, deciding that these families, who are perfectly good tenants in every other way, are simply not worth the trouble. Given that on top of that there are plenty of families in London who can pay the enormous rents, there will always be an alternative.

I assure the House that I am not trying to frighten people or talk about things that do not happen. I recently went to a private landlords forum in my borough and none of them said they were prepared to let to people on universal credit, because they simply did not want to wait for their rent.

We have talked about other people helping people to get advance payments. At present, local authorities have an officer responsible for preventing homelessness. If I see somebody at my surgery who is behind with their housing benefit, I get on the phone and say, “Steve, will you go down to housing benefit and get the staff there to sort it, or else the landlord will have them out,” and he does that. We do not have something identical to that in this system at present, and on behalf of London and all private tenants on benefit I say: please stop it, look at it and do something about it.

4.54 pm

Dr Sarah Wollaston (Totnes) (Con): I support the principles behind universal credit. My question is this: why are we undermining a policy with the potential to change lives for the better by not addressing a fundamental flaw at its heart?

[Dr Sarah Wollaston]

We have heard many compelling cases today, and we cannot ignore them. The hon. Member for Mitcham and Morden (Siobhain McDonagh) set out one of the flaws, but we have seen that a policy of test, learn and rectify can work. Today there have been universal congratulations for the Government on the introduction of a free helpline, and the bringing forward of access to advances has also improved the policy, but that does not get us away from the fundamental problem of a minimum six-week wait. That means that our constituents who are living on the edge—we are talking about real people's lives here—are going to start this process in debt and in arrears, as we have heard.

It is possible to apply test, learn and rectify to this process. I want to hear from the Minister in the winding-up speech that Front Benchers recognise that and that they are going to address the six-week wait. The advance does not solve the issue; it does not cover the entire amount. Those of us who represent our constituents have a cushion and we would probably manage, but many of the people I used to look after when I was in clinical practice and the people I represent now who come to my constituency surgeries have no cushion whatever. This is devastating for them, and we cannot ignore the very real, compelling case histories that we have heard. We cannot allow those to continue.

There are things that we can do. Bringing forward the initial payment would mean that fewer people needed advances in the first place. That would save us a complicated bureaucracy, allowing people to say for themselves when they start universal credit, "Please would you pay my landlord direct, because I know I am going to find that complicated? Please would you give me payments every fortnight, because I don't currently receive monthly payments?" Once they are established on the system, give them, with their advisers, the option to transfer to taking over their own monthly payments for their rent.

Heidi Allen (South Cambridgeshire) (Con): Does my hon. Friend agree that that would be sensible not only from an administrative point of view, but because work coaches could be helping people get into work, rather than helping them to deal with debt, stress and mental health issues?

Dr Wollaston: I absolutely agree. I say to the Minister, please, can we hear an assurance at least that there is a recognition of this fundamental flaw and that it will be addressed?

I know that Members on this side of the House will be abstaining tonight. Personally, I do not agree with that. The House should have an opportunity to express its view, and there have been occasions on which these debates, even though they are advisory, have led to changes in policy. If there is no way for me to express my view, on behalf of my constituents, that I think this fundamental flaw must be addressed before the policy is rolled out to the Totnes constituency next year, I am afraid that I will have to vote against the Government. I do not wish to do that because I support the underlying policy of universal credit—we have heard about many of its benefits—but, I say again, we are undermining it by not addressing the fundamental flaw at its heart.

I hope the Minister will give an assurance from the Dispatch Box so that I do not have to vote against the Government.

4.58 pm

Laura Smith (Crewe and Nantwich) (Lab): Today, I hope to give the House an insider's look at what it can be like for a single parent relying on the benefit system. I became a single parent when my son, who is six, was 14 months old. I was working as a teacher and had no option but to drop my hours and apply for working tax credit. I experienced the process of benefit delay and went many weeks focusing on feeding my son meals while I survived off cereal.

During that difficult time, I felt the pressure of trying to manage my bills and make my rent commitments while always trying to remain a strong and capable parent for my child. I cannot stress enough how tough life can feel as a single parent. Not only are you dealing with the trauma of a failed relationship and the difficult process of everyone involved adjusting to the new circumstances, but many, like me, can find themselves in extreme financial difficulty where it is easy to become trapped in a spiral of debt and benefit uncertainty while juggling child care.

I find it heartbreaking to hear stories from my constituents, who come to me with similar problems due to universal credit. Take Sarah, for example. She was advised by the universal credit helpline to register that her relationship had ended and was assured that that would not close her claim. However, that advice was incorrect and her claim was closed, meaning that she had to go through the entire process again. Rent arrears then built up, and Sarah had to take out a loan to help her get through. Without the support of her family, she would have fallen apart—without the support of my family, I would have fallen apart. What about those people who do not have that support? With around a third of single parents already in debt before the roll-out of universal credit, how can the Government justify a policy that threatens more financial insecurity?

Then we have the patronising insinuation from the Government Benches that getting people used to monthly pay to prepare them for work and the management of their own budgets is easily achievable. That is typical of the approach taken by a party that refuses to accept that its own ideology could possibly be flawed. Instead, it seeks to condition human behaviour so that people are nudged into acting rationally. Convinced that our society cannot be broken, the Conservatives preach from their positions of privilege about the need to change behaviours instead of attempting to make any meaningful change to the structures within our society that leave millions of people impoverished, but leave their own people richer than ever.

5.1 pm

Kirstene Hair (Angus) (Con): It is incredibly important to highlight the common ground when discussing how we ensure that as many people as possible are able to get into work. Let me be clear: there is absolutely nothing fair about keeping people dependent on welfare. I will start with two quotations:

"Universal Credit remains the right thing to do... and the prospect of an integrated benefit system that responds to people's changing circumstances is a prize worth having."

Universal credit is

“an important tool for tackling poverty”.

Those are not my words, but those of the Joseph Rowntree Foundation from April this year. In Scotland, the current Minister for Social Security, Jeane Freeman MSP, expressed disappointment last year that the completion date was as far back as 2022, so I find it strange that the SNP supports the halting of the roll-out today.

Universal credit is of particular importance to me because my constituency has a higher than average rate of unemployment, particularly among young people, and I am determined to see that rate reduce over the lifetime of this Parliament. Fortunately, universal credit is ensuring that more claimants are looking for and, crucially, succeeding in finding work than under jobseeker's allowance. In 2015, 86% of those on universal credit were actively looking to work more hours, compared with only 38% under jobseeker's allowance. The reason behind that is simple: JSA punished people who were looking to work more hours, but universal credit is designed to promote increased working hours.

However, we have to recognise that any major reform such as this will be challenging for users. The SNP should know all about roll-out issues—dare I mention the ongoing common agricultural policy payments fiasco in Scotland? This Government will adapt to ensure that any issues are addressed. It is of course right and proper that the Government take on the points being made about implementation and work to fix the issues that could see a good policy get damaged in the public eye through flawed delivery. Some have suggested today that universal credit makes claimants more likely to enter rent arrears, but clearly no one wants a policy to lead those whom it was designed to help to face further financial difficulty.

There is still some way to go before we can call this policy an unmitigated success, but the worst thing we could do is abandon or pause a policy that is helping people into work and return to a broken system that gave up on the unemployed when they most needed the Government's help. After all, work is the most effective route out of poverty. It rewards the individual and allows them to regain purpose, routine and responsibility, enabling both society and the economy to prosper.

5.4 pm

Gerard Killen (Rutherglen and Hamilton West) (Lab/Co-op): This month, universal credit will be rolled out in full across South Lanarkshire, which includes my constituency. In October 2015, when I served as a South Lanarkshire councillor, universal credit was first introduced for newly unemployed single claimants. By the end of that year, 48% of council tenants in receipt of universal credit were in arrears, with a total of £65,000 outstanding. Not only did that put pressure on people's lives; it also put pressure on a local authority already struggling under this Government's austerity policy. I am dismayed that, two years later, the Government appear to have learned nothing from that experience. New claimants are still finding themselves in debt and arrears because, as we have heard many times, people are still waiting at least six weeks to receive payment.

Advance payments are repayable loans. For the six months that people will be paying them back, they will be expected to live on less than has been calculated for

them to survive. That six-week delay assumes that everything goes smoothly with the application, which does not always happen. Some people are waiting far longer and find themselves significantly worse off after moving on to the full service.

What about those who do not have the IT skills or internet access to be able to apply online? They can go to a library or a jobcentre if they are still open, but that is not an option for many. Although I welcome the Secretary of State's decision to scrap helpline call charges, there are significant issues with the quality of advice when people do get through, particularly because of the complex calculations involved. There is no point in the advice being free if it is incorrect. That is not a criticism of DWP staff, who are working very hard in difficult circumstances.

In many cases we are talking about whole families, often with complex needs, who are already in a difficult financial position and who are turning to the state for an extra bit of support, only to find themselves struggling to provide basic essentials. There are expected to be 1,150 new service claimants in my constituency between now and January. What advice should I give those constituents in the run-up to Christmas and beyond? Should I tell them that they might be forced into debt but that this is a learning process and the Government hope to use their experience to get it right eventually?

We already know what the issues are, and the Government already know what the issues are. We are talking about people's lives, not a test and learn exercise. Credit unions, churches, housing associations, councils and food banks—how many more organisations will it take? How many more families do the Government need to hear from before they listen and pause this roll-out?

5.6 pm

Chris Green (Bolton West) (Con): Welfare is naturally a great concern for anyone who receives welfare payments, especially if there is to be a transition from one system to another, but it is also a big concern for people who fund the system, and not a great deal has been said about people who actually pay their taxes. I appreciate that people on universal credit also pay taxes, but there will be unemployed, employed and underemployed people in the system. All groups in society have to think that the welfare system is reasonable and just. There are many problems with the legacy system, and it needs to change.

The question is whether universal credit is, in all ways, the right system, and there are challenges for universal credit to overcome, but in the current system there is too much chance of people being written off or reaching the 16-hour cliff edge. If people reach 16 hours, they no longer have the incentive to work additional hours. How much money would an employer want to spend on training a person who works 16 hours a week? How much experience does that person get? A person with relatively little training and relatively little experience has relatively little chance of getting a promotion. We ought to change the system to universal credit, which does not stop people working extra hours, getting training and experience, and perhaps then getting that promotion.

For people who work erratic, relatively few hours that increase and decrease, it is challenging in the current system to keep up with the paperwork that that entails

[Chris Green]

for six different benefits. That is a huge problem for people. We do not want people to look at the system and think, “You know what, if I take those extra hours this week, it will be a logistical nightmare to fill in all the paperwork and everything else to get myself back up to speed.” In the current system people choose not to take extra hours for a variety of reasons, as well as because of the 16-hour cliff edge. We need a system that is easy to navigate. We need a system where people who might be concerned about losing their job can say, “Actually, there is a good safety net. There is a system that will look after me in my time of need.” But there are challenges to address and we need that test, learn and rectify approach in place. The Government are demonstrating it with a slow roll-out, with the progress on advance payments and with the fantastic decision today to have free calls to the system.

5.10 pm

Sarah Jones (Croydon Central) (Lab): My cautionary tale from Croydon is similar to that of my hon. Friend the Member for Bermondsey and Old Southwark (Neil Coyle). People in my constituency were among the first to experience the full service roll-out of UC back in 2015, and the size of Croydon means that our borough has the highest case load in the country. In Croydon, we have seen UC’s problems play out slowly over time, and the results make my weekly surgeries a very difficult place to be. Conservative Members have talked at length about the test, learn and rectify regime. My constituents have been tested, but I have seen no learning and no rectifying from Conservative Members.

As my colleagues have said, in many ways and giving many strong examples, the DWP takes weeks to assess a claim, and when my constituents are finally paid, getting backdated payments is like pulling teeth. In Croydon, two thirds of people living in local authority housing who claim UC are in rent arrears and at risk of eviction—that is more than 1,000 families. That is just a proportion of the overall figure, as many more are facing the same fate in private rented housing. Conservative Members have suggested that the situation was just as bad before UC was introduced, but in Croydon the average rent account balance for tenants on housing benefit was £2.50, whereas for those on UC it is now minus £1,224.

The problem is not just that delays to payment cause debt, that mistakes are made time and again, that communication is rubbish, and that it takes months to respond to evidence provided and months to pay what is owed; the biggest problem for my constituents is that when all the benefits were lumped together, with a laudable aim, the Government also trimmed the components, leaving my constituents with not enough money to live on. Universal credit is not enough to live on in Croydon. One of my constituents, a single mother who lives on her own after fleeing domestic violence, has been left with a £400 rent shortfall under the new system. The damage this programme has had on our town has meant that families are leaving because they cannot afford to stay. I met headteachers and the council last week, and they told me that primary school numbers in Croydon are now going down, as a direct result of the implementation of UC.

Can I finish with one—[*Interruption.*] No, I cannot, because I have run out of time. I just ask Conservative Members to vote with us today and pause UC.

5.13 pm

Damien Moore (Southport) (Con): I welcome the fact that the Opposition have chosen the subject of UC for this debate, as it has allowed many Conservative Members to address the various deliberate misinterpretations that have been proffered by some Opposition Members. I, for one, welcome the fact that UC is available in more than 100 jobcentres across the country and laud the Government for reiterating their commitment to having it available in all jobcentres from September 2018. Under the old system it often made sense for people to work for no more than 16 hours a week. How can any Member believe that was good for the country’s economic health or for an individual struggling in work? That is beyond me. It is simply bad for people who are stuck on benefits and bad for taxpayers, who end up paying more. It cultivates resentment and social division, and creates an incredibly negative benefits culture. Unlike Opposition Members, I am in favour of creating a fair and balanced system. Some of the claims and attacks on UC made by Opposition Members seem to miss the point entirely: this system is designed to cultivate work and help people not to be reliant on benefits. Research has shown that claimants on UC are more likely to move into work than those who are claiming JSA, meaning UC is helping those people become better off. Universal credit encourages people to eschew benefit dependency and assimilate better into the world of work.

It is worth addressing the system’s potential. It is clear that it will undergo tweaks and challenges as it is rolled out nationally, but no ambitious policy is perfect at its conception, and few are perfect even at their implementation. Nevertheless, universal credit has the potential to be a real game changer for how we look at benefits and assist people into work and to reach their full working potential. The Government have purposefully managed a careful and controlled universal credit roll-out, and I am sure that they will continue to look into any issues that appear, as they have done so far.

Labour’s goal seems to be to keep poor people on welfare, rather than to join the debate on how we create a society in which as many people as possible are able to work and as few as possible are reliant on handouts. Conservative Members are pragmatists and welcome sensible contributions from other parties about the honing of a welfare system that elevates those who are struggling rather than accepts the status quo. Universal credit is simple and fair and will be effective for the whole country.

5.15 pm

Alison Thewliss (Glasgow Central) (SNP): I shall highlight a few constituency cases before I address a more substantive issue.

I would like to talk about the £33,000 in rent arrears for just 57 new single Tenure housing association claimants. The Minister should know that none of them have received their payment within the six-week target.

I would like to discuss Bridgeton citizens advice bureau, one of whose clients is a single female aged 45 with existing anxiety and depression. She has been sanctioned four times and has had no money since 5 March.

I would like to talk about my vulnerable constituents: a man with mental health issues being supported by his partner—and they have a baby. They got into rent arrears of more than £1,000 because universal credit was £314.66 short of the rent for their emergency homeless accommodation.

I would like to talk about the £143,833 arrears faced by Glasgow City Council's homeless services, for 73 claimants. That number has been and is increasing as more people move on to universal credit.

I would like to talk in particular about the two-child policy, because if ever there was an argument for pausing the roll-out of universal credit, this is it. I was glad to see yesterday that the Child Poverty Action Group was given permission to apply for a judicial review of the policy. If the court finds, as it has found before, that real misery is being caused to no good purpose, I hope the Government will not waste yet more public money on appealing the decision.

On universal credit in Northern Ireland, the advice on the UK Government website says that if someone wants to make a claim under the non-consensual sex exemption—using the form I have in my hand—they should make contact by phone or online, or collect a form from their work coach. In Northern Ireland, under the Criminal Law Act (Northern Ireland) 1967, anybody to whom a claim of rape is made has a legal duty to report that crime to the police. That duty falls not only on the work coach and the DWP, but on the third-party referrer—the doctor, nurse, social worker or sexual violence support worker has to report that crime to the police. Women in Northern Ireland should not face the choice between being forced into a criminal justice situation, which may make them feel not safe from a former partner, and putting food in their children's mouths. That is no choice at all. The Government must pause the roll-out, particularly to save women in Northern Ireland from that danger.

The non-consensual sex exemption form is absolutely clear. It says:

"Please be aware that in Northern Ireland, if the third party knows or believes that a relevant offence (such as rape) has been committed, the third party will normally have a duty to inform the police of any information that is likely to secure, or to be of material assistance in securing the apprehension, prosecution or conviction of someone for that offence."

Universal credit must be paused and fixed now. It is not safe for women in Northern Ireland.

5.18 pm

Heidi Allen (South Cambridgeshire) (Con): I am fortunate to have served on the Work and Pensions Committee since my election in 2015, and that has given me a really detailed understanding of universal credit. To reiterate my question to the Prime Minister last week, I believe that universal credit will be the most significant positive transformation of the benefit system in decades. The principles of universal credit are different and the support provided by work coaches is different, but that must not detract from the concerns that I and many Members from across the House have with the design of universal credit. I am disappointed that the Government did not pause the roll-out of this service while some of the system build flaws are resolved, but the Secretary of State has already given the commencement order, and that

moment has passed. There is, however, another one-month roll-out delay in January, so all eyes will be on that.

I want to focus my efforts now on convincing Ministers that there are easy and relatively inexpensive ways of improving the design. I wish to put on record my thanks to the Prime Minister for meeting me and colleagues yesterday afternoon to hear our proposals. We were joined by the Secretary of State, and I am positive that we were genuinely listened to and that there was a shared determination to make improvements.

The biggest single criticism of universal credit is the time it takes for people to receive their first payment. Although I appreciate the announcement that advance payments will be made available to all, it is clear to me that, as the number of people requesting these is already rising, it must mean that the inbuilt six-week wait does not work. If we want universal credit really to replicate the world of work, payments must be built around a four-week cycle. Removing the initial seven-day wait must be the very least we can do. At a minimal sum of £150 million to £200 million a year, this would be an inexpensive fix that would benefit all claimants.

Rather than developing another system to prop up a flawed system, let us stop convincing ourselves that advance payments are the answer. Of course there will always be vulnerable claimants who will need financial support today, and, for them, advance payments have an important role, but if, today, more than 50% of claimants have taken up an advance payment—that is before the Secretary of State has said he will advertise them more widely—we must accept that there is a reason that that percentage is so high. Let us stop administering and paying out advance payments hand over fist and reduce the default waiting time for all awards to fortnightly payments at two and four weeks from the moment of a claim. Let us keep paying fortnightly until the work coach and claimant together decide that being paid monthly is okay, and let housing payments go direct to landlords. That would dramatically reduce the number of families going into rent arrears, turning to food banks and spiralling further into debt.

Having discussed this personally with the Prime Minister—I would appreciate another 20 seconds if somebody could give me some time, please. Will anybody intervene? No.

Stephen Lloyd *rose*—

Heidi Allen: I give way to the hon. Gentleman.

Stephen Lloyd: I thank the hon. Lady for giving way. I concur with a lot of what she is saying. Like many Members on both sides of the House, does she agree that the principle of universal credit can work if those two or three key changes are made? Without those changes, it will collapse.

Heidi Allen: I appreciate the hon. Gentleman's intervention. I agree that we risk undermining the success of the system if we do not get these basic things right.

Having discussed this matter personally with the Prime Minister yesterday, it is probably too ambitious to expect a response just yet, but I am confident that she will consider our proposals. Why? Because as well as being the smart thing to do, it is the compassionate thing to do.

[Heidi Allen]

Two years ago, almost to the day, I made my maiden speech:

“a country and its economy does not function...if the people who run the engine cannot afford to operate it. We need every teaching assistant, care worker, cleaner and shop worker”—[*Official Report*, 20 October 2015; Vol. 600, c. 874.]

to secure our economic future. With Brexit looming, the call could not be more clarion than it was when I said it two years ago. To pull ourselves out of debt, we should not be forcing working families into it.

5.23 pm

Mike Amesbury (Weaver Vale) (Lab): Just three and a half months ago, I came into this place with two main aims: to make life better for the people I represent; and to stand up for the most vulnerable and those in need. I know that those aims are shared by my hon. Friends on the Labour Benches, and probably by hon. Members on other Benches, too.

Unfortunately, three and a half months into my time as an MP for Weaver Vale, what has become absolutely clear is that, when it comes to universal credit, these aims and values are not shared by the Prime Minister, the Secretary of State or the Government. Indeed, those values are wilfully ignored and, every single day that universal credit is allowed to continue in its current form, there will be considerable problems.

My issue is not with the aim of the policy itself—we can see the value in the basic principles of universal credit and what it is trying to achieve—and nor is our dispute with the staff at our local jobcentres. Yes, I have visited my local jobcentre, and some are doing everything they can to support residents in circumstances that are not of their making or of their choosing. Our argument is with this Government, who are overseeing a shambolic implementation that is causing delays, confusion, distress and debt. Our concern is for the thousands of residents and families who are faced with hardship—and, in some cases, hunger and homelessness—while this Government carry on regardless, ignoring the effects of their policy on the people of Weaver Vale and this nation.

Tom Tugendhat (Tonbridge and Malling) (Con): Will the hon. Gentleman give way?

Mike Amesbury: No, I will not.

The Government are ignoring the effects of the policy on people such as Lucy, who was forced to take wage slips to the local jobcentre after a catalogue of errors from Government Departments meant that her payments were miscalculated. Lucy was left in arrears for rent and council tax, with no money for food for weeks on end. Her request for an advance payment—hon. Members have mentioned advance payments—was ignored. Indeed, she was told that

“this is happening to quite a lot of people.”

Lucy said to me:

“I have a daughter, I am a single parent trying to make an honest living, and this is how I am being treated.”

No Government, especially a Government who claim to be building a country “that works for everyone”, should hear those words and refuse to take action.

5.26 pm

Mrs Anne Main (St Albans) (Con): One of the advantages of having been elected to represent St Albans four times

since 2005 is that I have a very long grievance and complaints database, as my husband keeps reminding me. I remember only too well the communications on working tax credit that came into my postbag when I first came to the House. People were getting requests for payback of £5,000 or £6,000, pushing their families into absolute misery. It made me realise that the system introduced by Labour was utterly broken. Since then, we have had to try to find a way to simplify the system.

The Secretary of State made an excellent speech. We need to say that universal credit is the way forward. Pausing it today—I understand that the Order Paper now reads “pause”, rather than “pause and fix” as it did yesterday—or halting it, as I notice the Scots nats say, would, in effect, be a wrecking proposal. If that is what the Opposition want to do, despite hearing all the pronouncements that this is a good system, they would be sending totally the wrong message.

The Government are in listening mode, and we are having a slow roll-out. It is excellent that there is autonomy over payments for housing rentals. There are 1,300 people on the housing list in St Albans, and people say to me, “I try to rent properties, but nobody will rent to me as soon as they know I’m in receipt of housing benefit.” At least this way they can take control of their own system. I am pleased that if people find themselves in difficulty, there is a way for universal credit to be paid directly to their landlord. As far as I am concerned, that is a belt and braces approach.

The Government need to listen to the concerns that have been raised, but—for goodness’ sake—we have had 10 years of trying to get away from Labour’s totally flawed system that left people multiple thousands of pounds in debt and squabbling in bureaucracies. Believe me, trying to get on those phone lines was a nightmare. There are teething issues, but—please, please—let us listen to them and learn from them, exactly as my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) said we are doing. Let us have a slow, learning roll-out.

For whatever reason—and in a non-binding vote for the Government—Members should not side with this Opposition motion, when the Opposition flip-flopped overnight about what they actually wanted to do. They are showing that what they really want is to revert to the totally flawed system that caused misery to many of my constituents. That is what will happen if the universal credit roll-out is halted or paused.

Mr Deputy Speaker (Mr Lindsay Hoyle): The time limit for speeches is now down to two minutes.

5.29 pm

Mike Hill (Hartlepool) (Lab): In Hartlepool, where universal credit is already in place and therefore not being rolled out, I am seeing for myself not only the effects of implementation and the six-week delays, but the damaging effect of the drive to passport constituents in receipt of other benefits on to universal credit at any and every opportunity. I have seen people in the most desperate circumstances—starving, suicidal, broke and broken. I have seen people worried about keeping a roof over their head, and families in poverty, forced to use food banks. It is not just my office that has seen an increase in casework; so has the citizens advice bureau and other agencies.

Currently, 768 single parents living in Hartlepool claim universal credit. Universal credit was rolled out in Hartlepool in December 2016 and its implementation has continued to cause real difficulty and suffering ever since. The case study of Laura described by my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) is similar to one in my constituency. The Government need to listen to people like Laura and the thousands of others negatively affected up and down the country by this punitive programme of implementation. Pause it and fix it.

5.30 pm

Helen Whately (Faversham and Mid Kent) (Con): Listening to this afternoon's debate, I have been disappointed by the relentless negativity from Opposition Members. I am sure that all of us, on both sides of the House, spend the majority of our constituency time supporting the most vulnerable people in our communities. We all care—I certainly care—about getting the best possible opportunities and support for our most vulnerable constituents who are having the greatest struggles in their lives. That is why I speak regularly to the citizens advice bureau in my constituency, the food bank, the jobcentres and local councils about many issues, including universal credit. They have reported back to me that universal credit is working well in my area and across Kent—[*Interruption.*] Kent includes some seriously deprived areas and should not be mocked.

I am told that universal credit is helping people to work more hours when they want to, empowering work coaches to help people, and helping claimants to gain independence. I will not pretend that it is perfect. I welcome the Government's raising awareness of the advance payment and I am glad that there is flexibility for the housing component to go directly to the landlord where that is the right thing to do. That needs always to be possible when it is the right thing to do, but I am told that it is sometimes difficult to trigger. It is wrong when landlords discriminate against people on benefits; that should be tackled. All in all, however, universal credit is a better system, and I will be watching carefully to ensure it continues to help my constituents as it is rolled out fully in my area.

5.32 pm

Fiona Onasanya (Peterborough) (Lab): Delay is not denial. We are asking that the roll-out of universal credit be paused and the system rectified before roll-out. If the roll-out is not paused and the policy continues as is, it will be less universal credit and more universal crisis. In its current state it is hurting, not working, as we have heard from Members on both sides of the House. My constituent Mr Bloy has explained to me that he is always on the back foot. Currently, he is in arrears on his electricity and gas bills, and in August he was sanctioned for allegedly missing an appointment in February, even though the DWP has acknowledged it sent the appointment letter to the wrong address, so he would not have known about it.

The roll-out needs to be paused until system defects and disproportionate impacts, such as those identified in the equalities impact assessment, can be identified and thoroughly fixed. To do the same thing and expect different results is nonsensical.

5.33 pm

Mims Davies (Eastleigh) (Con): I welcome the key feature of universal credit, which aims to ensure that work always pays. As we heard from my hon. Friend the Member for Bolton West (Chris Green), training and opportunities continue to be limited by the existing system, so let us not pretend we started from a perfect place. I hear on the doorstep how people are infuriated by Labour's failure to remedy the system. Universal credit is a difficult but needed revolutionary reform.

Universal credit services have been rolled out in my constituency since July, and I am pleased to say that I have not had a great number of concerns. None the less, my caseworkers have picked up on two issues, which I happily raise today. The first is internet access for those who are less technologically able. I would like the Minister to take that forward. Some people use internet cafés. Some use other people's access to the internet so that those people can work with them through the process. It can be daunting, but they do it and stumble because they do not have the full paperwork. We need real clarity on what paperwork is required, and then people will feel less frightened and see it more as an opportunity.

On 20 July, I had a meeting with my local housing association, Radian, which has been successfully helping people to get into work and into training. Its positive involvement absolutely has to be encouraged. Eastleigh has moved on to a live service. Staff at Radian have confirmed that they are actively supporting tenants. This new approach to benefits is allowing it to offer a wide range of opportunities through its website and tenants' magazines.

I do not want to scaremonger. MPs on neither side of the House have a monopoly on compassion. All of us can shape the future of universal credit and make it better, because it does work.

5.35 pm

Danielle Rowley (Midlothian) (Lab): My constituency was an early roll-out area for universal credit and now has the full service, so through bitter experience and not through scaremongering, I will share some stories with hon. Members today.

Universal credit is having a detrimental impact on single-parent families. I have raised this previously on behalf of a constituent who is a single mother working hard to provide for her two children. As a result of the way that childcare costs are calculated within universal credit, she is in serious debt and may have to leave work. A policy that is designed to get people into work is, in its current form, keeping them out of it. Single-parent families need security and support, but under this new system they are facing unnecessary pressure, uncertainty and worry from a Government who seem to fail to understand those pressures. I understand the pressures that single-parent families face not only because I was raised by my mum on her own, but because I listen daily to experiences of my constituents, as well as the expert opinions of organisations that have been campaigning for the Government to halt and fix this roll-out.

Six weeks may be a short time in politics, but it is a very long time to wait for families who are already struggling. How can this be a successful system ready to be rolled out across the country when over half of those receiving it need to borrow money before their first payment?

[Danielle Rowley]

I thank Members of this House and campaigners for putting pressure on the Government to remove the cruel phone charges, but there is more that we can do. People are in debt, facing eviction, waiting six weeks for payments, and relying on food banks, and we can put an end to it today.

5.37 pm

Rebecca Pow (Taunton Deane) (Con): We somehow seem to have bred a society that is too often too reliant on benefits. It is right that as a Government we help to provide a pathway back into work. The children in some parts of my constituency have grown up knowing four generations of unemployed in the family. That is not right. We have to try to break that cycle and help people get back to work. We also have to allocate the funds so that they go to the people who really need it, at the same time making the spending of taxpayers' money fair. That is what universal credit is all about.

As we have heard, there was a need to change the old, inflexible, multi-agency, over-complicated system. Replacing it with this new all-in-one system run by one point of contact has been praised by everybody I have spoken to in Taunton Deane, including the CAB. Indeed, Taunton Deane is one of the first rural areas to see the full roll-out, so it is very much being watched.

However, I want to raise with the Minister some of the challenges in rural areas. The reliance on online applications particularly affects the elderly. We have a very large elderly population in Somerset, and I ask that we make sure that we help them. Mobile coverage is often poor, as are broadband speeds. We still need to address that in some areas. Once we have aligned all those things—I know that this Government are committed to putting money into that—the whole system will join up and work successfully.

I want to see a whole new system so that children growing up in families where they have seen only unemployed people have a different attitude to life, and people do not think that benefits are there just to keep them unemployed—rather, they see that they are there to help those who need it, but what they really need to do is get a job, and then they will know there is a better life.

5.39 pm

Jo Platt (Leigh) (Lab/Co-op): Universal credit was introduced to Leigh in 2013 as part of the local authority pilot, and there are currently 1,800 recipients in the area. I was, therefore, shocked to hear the Prime Minister claim at the Dispatch Box last week that the flaws in the universal credit roll-out were just teething problems and that the Government have been taking their time to address them.

I can say with certainty that those problems are not teething issues, but fundamental flaws in the universal credit system. During the four years of the pilot, people have been left without payments and there have been issues with IT and information sharing. Those problems have left families with huge rent arrears as result of having money unfairly withheld. In the borough, 80% of universal credit recipients are in rent arrears, compared with 36% of those who are not in receipt of universal credit.

That is not scaremongering, and it cannot be ignored. The system is evidently flawed. Where does that leave constituents? They can turn either to the local authority, which is also facing relentless, crippling budget cuts, or to food banks. The Trussell Trust has found that the number of emergency food parcels provided has risen by 16% in areas of universal credit roll-out.

The situation has also pushed people towards reliance on their bank or credit union for loans. My local credit union has told me of the spike in refusals of loans, because of the roll-out and the financial difficulties that residents now face. When people without long-term financial stability have reached out to the credit union after falling into rent arrears, it has accredited one in 10 refusals. That is all down to this complex and unworkable system. On behalf of my constituents who have dealt with the effects of the roll-out, I urge the Government to pause.

5.41 pm

Matt Warman (Boston and Skegness) (Con): We have heard many people talk in this debate about the work of Jobcentre Plus, and I begin by paying tribute to the brilliant workers whom we have all met in our local Jobcentre Plus offices. They go the extra mile every day to try to find work for our constituents, many of whom live in deprived conditions and have genuine challenges. In agricultural areas such as mine, many people have had to adapt, over many years, to casual labour and a rapidly changing working environment.

Universal credit is a crucial opportunity for the Government to encourage part of that adaptation. The local housing providers I have met have told me that, in due course and with appropriate assistance, it is to their advantage and that of the benefit claimant for the claimant to have control over their own money, to pay their own rent and to be able to use IT, which is now an absolutely crucial part of modern working life.

It is important to step back for one moment and realise why Members on both sides of the House agree on the principles of universal credit. For all the smoke and fury, even the Labour party is calling only for a pause in this reform, because all of us, on both sides of the House, know it is essential. If we do not persist with it, we will not deliver the essential savings and the benefits that are vital for our constituents.

Universal credit is a benefit programme that includes pauses to learn. It demonstrates, as we have seen today, that the Government have been listening. I call on Members from all parts of the House to calm down and realise that the principles are important and we should get there together.

5.44 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): The Secretary of State has recently received a letter from the leader of Slough Borough Council, Sohail Munawar, following the council's motion calling for the full roll-out of universal credit to be paused. I am proud of the council for having passed that motion, because the concerns are real. The partial roll-out has already pushed many in Slough into rent arrears and spiralling debt, with many claimants being forced to borrow money while waiting for their first payment. I heard what the Secretary of State said, but I have to tell him that his figures simply do not reflect the reality faced by my

constituents. Figures for the substantial arrears of individual tenants provided by Slough Borough Council show the difficulties that have already been caused by a partial roll-out in the borough, but because of the two-minute time limit I cannot elaborate on that in detail.

Another point to note, as highlighted in a letter signed by more than 100 MPs, including me, is that the planned expansion from October to 55 further areas a month will flood the system with almost 500,000 applicants every month. I know the concerns of many of my constituents, including Lisa, who attended an advice surgery after receiving a final notice and threat of court summons for council tax. She had missed instalments while waiting for universal credit to be paid, and as a result, the whole year's balance became due in one go, making the situation even more difficult. Lisa's first payment of universal credit did not come in until almost seven weeks after the original date of claim, and even then the amount was wrong.

Many organisations, such as the Slough food bank and the Slough Salvation Army, do an incredible job, but they should not need to do so in one of the most advanced nations on earth. That is why universal credit needs to be paused and fixed.

5.46 pm

Mr Bob Seely (Isle of Wight) (Con): I have listened to this debate with an open mind, willing to criticise the Government if need be, especially if they were to fail my constituents on the Isle of Wight. However, the more I have listened, the more I believe that it is in our interests that universal credit should go ahead. I notice that the Opposition support that in principle.

Apart from the relentless negativity, there have been a couple of sensible suggestions. I echo what the hon. Member for Birmingham, Yardley (Jess Phillips) said about domestic violence and split payments. Will the Minister look into that? We need to be aware of people who are in an especially vulnerable position. I will work with Wight Dash, our domestic abuse centre on the Island, which I visited very recently to understand its specific concerns.

More generally, there is potential for financial hardship during the six-week transition period. I understand the principle, but if people have no money, they have no money, regardless of whether or not the principle is a good one. I join the chorus of those asking the Minister to do all he can to make sure that people transferring on to universal credit throughout the UK, including on my Island, know that they can be paid money in advance, with emergency payments on the same day. Will he consider increasing the advance from a half to, let us say, three quarters so that the principle of the loan remains, but a little bit more money goes into gearing up the system for success?

I will do all I can to work with my local groups to make sure that we are ready. Some Islanders have been on universal credit since last year and some will not be affected until 2019, but a lot are coming on to the system in May and June. The most important thing we can do is to make sure we are ready for that, so that we get the maximum upside from universal credit and all the fantastic support work that goes on around it to enable people to take opportunities, but will the Minister work with me to make sure that we minimise any potential negative effects as well?

5.48 pm

Matt Rodda (Reading East) (Lab): I have been interested to hear the range of views discussed today. I am from one of the areas where universal credit will be rolled out in early December, much to the concern of local residents. It is difficult to imagine the stress and deep financial distress that many of the people on this benefit will face over Christmas because of the ill-considered timing. From my perspective, this is wholly unacceptable, but I believe it is only one of a number of deep flaws in this ill-thought-through policy.

As we have heard, the six-week payment delay is a severe flaw. It does not take account of the reality that many people, especially those on low incomes, not only budget on a bi-weekly basis, but are in some cases paid once every two weeks. In our area, Reading Borough Council and local charities will do their very best to help those affected, but they have already raised serious concerns about this delay.

I should point out that the country as a whole is experiencing a dramatic rise in rent arrears, as well as increased evictions. We have noticed that in our town, and it is the same in many others in the south-east, as my hon. Friend the Member for Slough (Mr Dhesi) mentioned. That is because of the difficulty that people who receive the benefit experience in budgeting to cover their rent. It is also because landlords appear unwilling to house people on universal credit. I have been warned about that as an MP and previously as a local councillor, and I have heard worrying evidence of it from tenants and community groups.

Evidence also suggests a link between the six-week delay and the pressure on food banks. Food banks in areas of full universal credit roll-out have experienced a 17% average increase in referrals for emergency food—more than double the national average. Delays in receiving benefits and changes in benefits have become two of the three top reasons for referrals to food banks.

Those issues, linked with the delay in payment, have contributed to an increase in loans being taken out to meet basic needs—

Madam Deputy Speaker: Order.

5.50 pm

Ben Bradley (Mansfield) (Con): In 2010, the coalition Government inherited a broken welfare system that was over-complicated and encouraged a lifestyle of benefit dependency, with more and more families on benefits for successive generations, particularly in constituencies such as mine, where people have felt abandoned for decades. Many families who wanted to work and do the right thing were worse off and discouraged from taking on more hours. Since 2010, unemployment in Mansfield has fallen by half, and more people are able to live independently. The principles behind universal credit are absolutely right and make sense of the legacy of over-complicated benefits. Even Opposition Members largely agree with those principles.

The system is obviously not perfect. That is why the roll-out has been slow and measured. At every opportunity, the Government have looked at the system again and made improvements. They have introduced advance payments, alternative and direct payments and are making the helpline free, among other measures.

[Ben Bradley]

We know that the system is still not perfect, and I have taken concerns to Ministers, including about the security of private sector rentals, which the hon. Member for Mitcham and Morden (Siobhain McDonagh) mentioned. However, the difference between Government and Opposition Members is that we are committed to improving, adapting and fixing the problems as we go because universal credit has already helped people into work, and the new, reduced taper rate that rewards those who work more hours will put £700 million back into the pockets of hard-working families on low incomes by 2021. Opposition Members would abandon that support and settle for a chaotic system that prevents people from improving their circumstances through work.

I ask the Minister to continue to listen and learn from every stage of the roll-out. I hope that the Government will look closely at Crisis's brilliant Help to Rent scheme, to support more people into secure tenancies and to reassure landlords, and consider including that in the Budget.

We have to move forward with universal credit. It is a huge project and the practicalities of rolling it out are far from easy. That is why, as my hon. Friend the Member for Brentwood and Ongar (Alex Burghart) said, pauses are already built into the system to allow us to learn and change. We cannot go back to Labour's disastrous system, which held people down: we should take the opportunity to offer people more support.

5.52 pm

Rosie Duffield (Canterbury) (Lab): I am exceptionally worried about the impact of universal credit roll-out on my constituents following today's debate. The fact that the Government continue to plough on with a failing initiative despite protests from some Conservative Members shows that they are driven more by political pride than considered policy.

As we have heard, Citizens Advice says that half the people it has helped with universal credit were forced to borrow money while waiting for their first payment. The Government may claim that their advance payment system stops people being affected by the six-week waits, but as the hon. Member for Paisley and Renfrewshire South (Mhairi Black) said so eloquently, we must remember that advance payments are loans. Universal credit claimants will be expected to pay them back. Many people on universal credit already struggle with debt. To offer them a further loan is a completely inappropriate solution to the problem.

We know that single parents are among the hardest hit by waiting times for their universal credit payments. I know personally how hard it was to raise my children on my own while on benefits and what it is like to be in debt. I have lived with the reality of having to feed my children while knowing that any money coming in is already owed to someone else. What a shame that the hon. Member for Gloucester (Richard Graham) was not a fan of the Labour Government's life-changing tax credit system! I assure him that those of us who depended on it to feed our children most certainly were.

According to the single-parent charity Gingerbread, a third of single parents were already in debt before universal credit. The loan-based solution to universal credit roll-out puts thousands of single-parent families at further risk of financial hardship.

Those problems are caused by incompetence, confusion and unacceptable delays. They have already happened because the Government are not listening to calls to reconsider the move from direct payments to landlords. I back my union, Unison, which continues to argue that tenants should be able to choose to have the housing part of their universal credit paid directly to their landlord.

5.54 pm

Simon Hoare (North Dorset) (Con): Very recently, I met representatives of both the north and east Dorset citizens advice bureaux. I would like to put on the record my thanks, and the thanks of my constituents, for the work that that great organisation does. We discussed its campaign for a pause. I told them then that I was not persuaded by it, but that I would listen to any subsequent parliamentary debate. Having listened to the Opposition Front Bench spokesman, I remain as unconvinced as to the merits of the case for a pause. It seems to be a pause for effect only—no particular purpose, no set of tasks in hand.

Despite the words of support for reform and for the principle of universal credit that we have heard from the parties on the Opposition Benches, I remain to be persuaded that that is anything other than lip service. All we have heard is a catalogue of negativity, with no idea of how best to move things forward.

This debate, however, is a very useful opportunity to reflect on the role of welfare in our modern society. My judgment is that welfare is all about a hand-up and a safety net. It is not what the Labour party has so erroneously carved it out to be: a way of life that embeds people in welfare and makes them entirely dependent on it in the hope—the callous hope, I would suggest—that that will create a pond in which the party can fish. Labour Members say they are compassionate and they care. I have news for them: we all care. We all stand up for our constituents. They do not, as hon. Friends have said, have a monopoly on care. We all have human emotions. We are all moved to help our constituents and I believe that in the end universal credit will help our constituents to improve their lot.

5.56 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): The principle of simplifying the social security system is a good one, but surely that should mean simplifying it for the people who depend on it, such as my constituent Mhairi, who made 26 entries in her journal without any response before we had to get involved as an MP's office.

In 2013, Inverness was a pilot area for universal credit. We have a simple view. We thought we would see what the problems were and report them to the Government, who would look at them and fix them. What actually happened was a one-sided arrangement. We were telling them about the problems in 2013, 2014, 2015, 2016 and 2017. There were endless ministerial meetings, debates, questions and letters asking—begging—them to sort out the shambles, but nothing was done.

For those who do not think that universal credit is affecting rent arrears, I should say that Highland Council went from tens of thousands of pounds to nearly £2 million in rent arrears. That was entirely down to universal credit. There have been rent arrears, short payments,

long delays, lost paperwork, evictions, crushed staff morale, and, until today, a premium rate for phone calls—I commend for my hon. Friend the Member for Glasgow South West (Chris Stephens) for his work on that.

We have 200 cases. There has been humiliation, degradation, desperation. Thank goodness for the support of the citizens advice bureau, the Highland Council support team and the jobcentre staff themselves. We have had single mums going from Christmas through to April without payments and living on food vouchers. Cancer patients have had to go without payments, getting short payments when the time came.

The Prime Minister said that the Government were listening and acting. For four years, that has not been our experience. I lay down this challenge for anybody on the Government Benches: come to Inverness, come to speak to our users, come to our summit on universal credit and hear from the people. I dare them to do that: to listen to the people who are being affected.

5.58 pm

Rachel Maclean (Redditch) (Con): I welcome the acknowledgement of Opposition Members that they agree with the principles of this much-needed reform, which is changing a broken welfare system.

I am not standing up here pretending that everything is perfect. The system before was not perfect either. We are not blind to the stories of human suffering that we have heard this afternoon; they are profoundly devastating when we hear them. We all see those people in our daily lives and in our constituencies. That is why we are raising these issues with Ministers, and they are listening to us.

In my constituency, we are gearing up for roll-out very soon, and I am meeting those involved so that I can be there on the ground flagging up the support available to people when they most need it. Please let us remember that for every heartbreaking story we hear in this place, there are positive stories of people's lives being changed by their being able to get back into work and meet their aspirations of taking on more work without being penalised for it. *[Interruption.]* Opposition Members shake their heads, but I have spoken to such people, as have many other hon. Members. My colleagues and I reject the caricature of us as uncaring robots. It does not help the constructive work we can do when we work together in this place.

Vicky Ford: I thank my hon. Friend for reminding us that we all agree that the principles of universal credit will deliver great benefits. Does she share my concern, however, that the Opposition want to delay the roll-out of a programme that has already taken nine years? How much longer do they want?

Rachel Maclean: As my hon. Friend says, the programme is being rolled out cautiously. We spend a lot of time in our areas working with constituents to make sure they are not negatively affected. It is our job to ensure they get the help they need. I cannot vote for the motion tonight because it targets the most vulnerable people aspiring to escape the cycle of poverty in which they are trapped by the existing broken system.

6.1 pm

Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op): As universal credit is a single credit combining several benefits, the accuracy and timeliness of payments is

even more crucial than for the legacy benefits. Benefit errors have been common for some time, as my constituent Veronica and many others know too well, and they can have disastrous consequences.

Even before universal credit, people needed help from a food bank mainly because of problems with the benefits system. Where families claimed multiple benefits, however, even when one was suspended, others usually kept being paid and the family often still had some income. There is no backstop to universal credit, however, meaning that a failure to receive a payment can leave a family and their landlord with absolutely nothing. Local welfare support schemes are extremely patchy, difficult to access and, in some areas, simply do not exist. Delivery continues to be less accurate than for legacy benefits, and the complexity of the benefit makes improvements difficult. I am concerned that the design of universal credit does not sufficiently take into account the lives, skills and resources of the least well off and as a result will lead to greater debt, poverty and exclusion. It should be paused until these design and implementation flaws have been rectified.

6.3 pm

Stephen Kerr (Stirling) (Con): I will not vote for a pause in the roll-out of universal credit. I speak as a supporter of welfare reform, and as I speak I think of the 1,005 people in my constituency currently seeking employment. The roll-out of universal credit is well under way in Stirling, and I have been impressed by what I have seen of the way it prepares people for work or a return to the world of work. Welfare reform is never an easy process, but the way the Government have approached the introduction of universal credit is the right one to deal with a change of this magnitude.

I have found the response of Ministers to have been very positive. They have undoubtedly listened to my concerns; far from being uncaring, the Government have worked to create fast-tracked advances, for example, to ensure that money reaches those who need it fast. We must continue to work through the practical issues of implementation, and I know that Ministers are keen to.

I have corresponded with Ministers on the issues facing rural constituencies such as mine, including problems with inadequate broadband and a lack of mobile coverage. In fact, there is not even public transport in some cases. Those are real concerns for me. I am particularly concerned about claimants who have mental health issues, and who struggle with the complexities of the various aspects of any benefit programme. I am also concerned about the issue of digital literacy, which has already been raised by a number of Members. I hope that the Minister will address those issues when he winds up the debate.

Many of us would like further consideration to be given to the difference between fortnightly and monthly payments, and the need that some claimants may initially have for a transition period between the two. I should also like the Government to reflect on the six-week wait for first payments. That is a long time for people to wait when they are in need, and it should not be beyond our means to design a better system to shorten it.

As Members of Parliament, we have a responsibility to ensure that we help people, and welfare reform should not be used as a political football.

6.5 pm

Liz Twist (Blaydon) (Lab): I was going to talk about the real problems experienced in my constituency—initially with the live service, the comparatively straightforward bit. I was going to talk about the huge amount of help needed by people applying for universal credit. I was going to talk about the delays in payments, and the practical problems that that causes, and about the arrears that people on universal credit are experiencing: an average of £625, as against the general average of £121. I was going to talk about the evidence that private landlords are beginning to refuse tenancies to people on universal credit and about the fear that some children could go without free school meals while their parents wait for their claims to be assessed, which is a problem that we really need to look at.

But the House has heard about all that from everyone else, so instead I am going to talk about Gateshead Foodbank, which covers my constituency and that of my hon. Friend the Member for Gateshead (Ian Mearns). In 2016 it issued 4,861 food parcels to keep families going, largely owing to the roll-out of live universal credit—and that is before we see full service.

This is about people. It is about families and children who are building up debt and going without, choosing between heat and food and making other difficult choices, and experiencing all the frustration of dealing with the new system. I ask the Government to think again about pausing. We have talked about “test, learn and rectify”; let us do that.

6.7 pm

Eddie Hughes (Walsall North) (Con): In 2016-17, the United Kingdom spent approximately £218 billion on welfare. I fully appreciate that a significant amount of that will have been spent on benefits that are not covered by this policy, but a not insignificant amount will have been. That is why Governments seek reform in this area, and it is probably why, in 2003-04, the Labour party sought to reform welfare by introducing the working tax credit. That was clearly an unmitigated disaster at the time, which shows that there have been complexities under Governments of both parties. I understand from the Office for National Statistics that of the £13.5 billion that was paid out, £1.9 billion was an overpayment. Welfare reform is complicated, but it is important for us not to look to the Government to fix everything.

I chair the board of a housing association, whg in Walsall, which manages 20,000 houses across 18 different authorities. We are currently dealing with 327 live cases of people on universal credit, 83 of which were clear of rent arrears when they came to us. We fully understand the complexity of this problem. However, we are using this opportunity to work with our tenants to ensure that they have planned their budgets. We have also applied, jointly with Accord housing association, for £23 million to operate the Click Start programme so that we can help both the unemployed and the economically active with computer literacy.

I say this: do not just look to the Government to fix your problems. Housing associations across the country are doing fantastic work to help their tenants themselves.

6.9 pm

Martin Whitfield (East Lothian) (Lab): East Lothian was chosen as one of the universal credit pilot areas—a place where it could be tested, and where learning could take place and it could have been rectified. In the short time that I have, I shall draw attention to two reports that I know the Government have seen.

The first was commissioned between June and August 2017 by the revenues team of East Lothian Council. It ran an online survey regarding UC to find out how to improve its service. There was a huge number of responses, from people who were online and competent and able to engage digitally. The results shown in it therefore cover people who have not been trapped by entrance into UC. Some 81% confirmed that they got their payment between six and eight weeks after applying, and 19% waited longer. Some 47% said they did not feel supported by the DWP, and only 25% managed financially while waiting for their first payment. That means that 75% had some deductions from that payment. Their main concerns were paying bills, housing, and feeding the family—the very foundations of the hierarchy of needs—and after three months 46% said their financial position had not improved.

Reference has been made in this debate to the “Universal Credit in East Lothian: Impact on Client Income” document created by the citizens advice bureaux in East Lothian in Haddington and Musselburgh, and the figures that the improvement was 24p per week and the loss £48.26.

In conclusion, I shall read one email I received:

“It pains me to say but last week the stress of everything got too much and I attempted to take my own life. I don’t know what else I can do feeling like this and getting constantly fobbed off by the UC. My wife informed them of my attempt on the 11/10/17 and still haven’t heard anything.”

6.11 pm

Wendy Morton (Aldridge-Brownhills) (Con): Unemployment has fallen in my constituency from 5.2% in May 2010 to 2.2% in September 2017, and youth unemployment has also fallen. That is in part due to the work of this Government in strengthening the economy, but it is also due to the commitment of the many businesses and organisations that have taken on more people, to the work of our colleges, further education establishments and apprenticeship providers, and to the work of our jobcentres.

But of course some people are not in work and some are in work but also depend on benefits, and it is important that we have a welfare system that helps people into work and supports those who need help. It is also important, however, that the system is fair to those who pay for it, and the old system of benefits was not working; it was a system under which it was not worth working for more than 16 hours a week. That was not fair.

Universal credit makes more sense and is a much fairer system. It has yet to be rolled out, but I have already met our local jobcentre and seen the preparation work it is undertaking to get ready for that. Walsall Housing Group has also prepared some of its tenants in anticipation of the roll out of universal credit. We should not forget that there is a nine-year roll-out period from start to end for universal credit.

We must also remember that this is a steady roll-out, with learning and, where necessary, action. We have already seen today that the helpline issue has been addressed. This is the way forward—making careful progress and not losing sight of our ultimate goal.

6.13 pm

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Of course the aims of universal credit are welcome, but the simple fact is that full service roll-out is not delivering them. Instead, in too many cases it is causing confusion, stress, financial crises, arrears and debt, and is threatening families with homelessness, including in Kirkintilloch in my constituency. If the Government are serious about their original ambitions for the roll-out, which I think are shared across the House, they should pause and listen and reflect on the genuine concerns raised not just on the Opposition Benches, but by various organisations ranging from poverty campaigners to advice services, from Churches to housing associations, and from staff working in the system to those suffering under it.

These organisations and individuals are not scaremongers. They must be listened to, and almost overwhelmingly and universally they seek a pause. Let us not forget that the roll-out of full service universal credit has barely started. Already, we are hearing how disastrous and problematic it is proving, so the faster roll-out planned in the months ahead risks massive multiplication of all those problems. By going ahead now, without properly ensuring all issues have been addressed, the Government would be making a horrendous and unforgivable mistake.

We need a pause, and during that pause we need to take this benefit right back to first principles so that it is meeting its original aim of reducing poverty, rather than pushing people into crisis. We need to reverse the cuts to the work allowance and to revisit the idea that six weeks is an appropriate waiting time. Otherwise, the Government will be rolling out all the problems that we have heard about today: increased rent arrears, increased debts, food bank queues and homelessness. We must pause and test; only then can we fix this mess and proceed after resolving all these issues.

6.15 pm

Laura Pidcock (North West Durham) (Lab): Universal credit is clearly designed by people who lack knowledge and experience of poverty and of what it is like to be an unemployed worker, and who have no experience of the full impact that this policy will have on claimants. I am absolutely appalled by the apathy shown by those on the other side of the House towards stories of suffering. Why do they think there is such a level of feeling among advice and support agencies? Do they think those agencies are just making it up? How dare this place test and learn a policy on actual people, on actual citizens? They have tried once again to divide those looking for work and those in work, but the people out there will see through that.

I want to make one substantive point about this policy, and that is on advance payments—or loans, as they actually are. They have always been available. They were supposed to be available only for those at crisis point. Let me tell the House how much that amounts to for a single person under the age of 25: they get about

£126 for six weeks, which equates to £21 a week or £3 a day. I challenge anyone in this place to try to survive on £3 a day—

Vicky Ford: Will the hon. Lady give way?

Laura Pidcock: Absolutely not. I challenge anyone in this place to try to do that and not feel the sense of outrage that we do.

I could talk about in-work conditionality, which punished those on zero-hours contracts, and the wholly inappropriate roll-out of this system in North West Durham on 13 December, which caused misery across the festive period. All the inadequacies and difficulties I have outlined have simple solutions. There is no need for such a protracted assessment period and there should be a clear and flexible payment option. There should be a warmth about the Department for Work and Pensions, a comfort. People should not feel scared or worried in their dealings with the Department. It should offer hope, security and guidance for my constituents. All that is within the power of this Government. Please pause this roll-out.

6.17 pm

Anneliese Dodds (Oxford East) (Lab/Co-op): Universal credit is being rolled out in my constituency today. I used to chair a debt and welfare advice centre on my estate of Rose Hill. On that council estate, 50% of children are growing up in families living in poverty. Guess what? Many of those families are in work, so in-work poverty does exist in this country.

I have a strong interest in this issue, but little time to talk about it, so I will focus on two areas where the Government could, if they listened, change things right now. It would cost nothing and massively improve the situation facing many claimants.

First, around implied consent, I will talk directly to the Secretary of State now, if he does not mind, because he seemed to suggest earlier that he thought that advice agencies would be able to go to the local jobcentre on behalf of their clients to help them when making a claim. Actually, that is not the case, because the rules around implied consent have been changed with universal credit. Following the intervention by my right hon. Friend the Member for Birkenhead (Frank Field), only MPs are deemed to have implied consent from the people they are representing if there is a problem with universal credit, not advice agencies. We do not often have a magic wand, but will the Secretary of State please wave his magic wand—tonight—and say that he is going to change that? Advice agencies, as he seems already to believe, need that implied consent to represent the people they are trying to help and to be able to get through to the DWP to assist those who are struggling with their universal credit applications. He can do that and he can do it now. Please will he do it?

Secondly, we have heard already about how there will be a landlord portal and, allegedly, information sharing with landlords. Why is there no information sharing with local authorities? They have been banned from getting that information about the composition of universal credit, so they cannot work out who needs to get council tax benefit or which families will be classified for the pupil premium. Again, why does the Secretary of State not just wave that magic wand and say he will

[Anneliese Dodds]

enable local authorities to be trusted partners? He can do it tonight. Please do it tonight. Two changes—say that you are going to put them in place.

6.19 pm

Ms Karen Lee (Lincoln) (Lab): My hon. Friend the Member for North West Durham (Laura Pidcock) spoke well at PMQs about the effect of universal credit in her constituency. Lincoln also has pockets of deprivation: some 13,000 people who work earn less than the living wage; one in four children live in poverty; one in 10 households are in fuel poverty; and 10 areas in Lincoln are in the top 10% of most deprived areas nationally. Universal credit was rolled out for single people in Lincoln at the end of November 2015, and the manager of the local food bank says that usage has already increased significantly as a direct result of universal credit and benefit sanctions. When universal credit is fully rolled out in March, I am concerned that people who are already suffering from the effects of the bedroom tax, benefit caps and the freezing of benefit rates will suffer even more.

Gingerbread, the CAB and Crisis—it is not just Opposition Members—all agree that simplifying benefits is a good idea, but universal credit is causing increases in poverty and homelessness. We have all received those briefings. Universal credit is this chaotic and divided Conservative Government's initiative and it must be halted. It is a direct and deliberate attack on the poor and the vulnerable—[*Interruption.*] Government Members can shake their heads, but it is true. The Prime Minister must see the unnecessary suffering that her chaotic and divided Government are causing. They must stop inflicting this suffering on the people of this country and consider the needs of the many, not just the few.

6.21 pm

Stephen Lloyd (Eastbourne) (LD): This has been an important and interesting debate on an important issue, and I thank the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) for bringing it to the House. I have been listening to speeches from both sides of the House for hours, and people from both sides have been constructive in their comments. Like many, I believe that universal credit could be a tremendous benefit—I supported it years ago—but unless the Government fix some remaining issues, it will fail.

First, I was disappointed that the then Chancellor took £3 billion from the universal credit budget shortly after the 2015 general election, meaning that work does not pay anymore. It may pay a tiny bit, but the original concept was that work really would pay. I urge the Secretary of State and the Government to put that money back into universal credit.

Secondly, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), a former Secretary of State, said that the Joseph Rowntree Foundation has supported universal credit. I was a bit surprised by that, so I did a quick check. The JRF actually said that it would support universal credit if it was properly funded—I just mentioned the £3 billion—and if payment and waiting times were reduced, which is exactly what many people have been saying today.

I have one final point to make in the limited time available to me. We have been discussing housing associations and housing benefit, but it is the private rented sector where there will be a car crash unless payments are made directly to landlords. Owing to the nature of their business models, private sector landlords will not wait two, three or four months for their tenants' money to be paid. I urge the Government to fix those issues.

6.23 pm

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): It is a great privilege to speak on behalf of not only my constituency, but the United Kingdom. People are worried. They live in fear. They cannot build a brighter, better future. Most criminal of all, they feel that people are not listening. I have a simple message for the country tonight: this side of the table is listening. Labour is listening.

People do not choose to live on benefits. Millions of children across the United Kingdom are growing up in working poverty. Their parents go out to work, but they cannot afford the gas or electricity bills and the fridge lies empty. That is the country we have today. That is the country that the Government have given the workers. Workers need a decent salary, and I am here to get justice for workers.

On Monday, a children's choir travelled down from my constituency—500 miles—to come to Parliament and to see the play "Wicked". I said, "When are you meeting Theresa May?" [*Laughter.*] They did see the play, but they came to Parliament and this lovely choir sang their hearts out for us. However, the point is that they are tomorrow's adults. They are disabled children, and they were brought down here by their families thanks to the good will of the community of Coatbridge, Chryston and Bellshill, which collected the money for them. Some of those children will not make adulthood. For some it was their first time here, and they will not be back. They are the people I fight for. Those children are tomorrow. Do not tell me that they all want to work, because universal credit is also about children and adults who cannot work because they are looking after children.

I am showing the red card. That is what this is about. Let us halt it. Let us stop it.

6.25 pm

Chris Stephens (Glasgow South West) (SNP): I am a member of the Work and Pensions Committee, and I nearly fell off my chair this morning. Having secured the Adjournment debate on 21 June 2017 on call charges for phoning the DWP, I was delighted with today's announcement. For it to work, and to ensure that people are not charged for phoning the DWP, will the Government take action against third-party providers that claim to advertise the DWP telephone number online while ramping up the charges to transfer the call? That is the last issue on telephone charges to be addressed, and I hope the Government do so.

Next month is the 75th anniversary of the publication of the Beveridge report, which surely tells us that we should be having a cross-party, cross-community discussion on how to ensure our citizens are not victims of economic destitution. I urge all Members, and those watching the debate, to read the evidence submitted to the Work and

Pensions Committee by dozens of organisations working on the frontline to pick up the pieces of the broken universal credit system.

I urge hon. Members to read the cases on the Committee's website submitted by victims of this system. People have been left with huge rent arrears. Pregnant women are forced to live on child benefit and food banks. Claimants are forced to choose between food and heating. That should not be happening in a 21st-century world, and it certainly should not be happening 75 years after Beveridge's report.

I support the motion.

6.27 pm

Julie Cooper (Burnley) (Lab): I reiterate that the Opposition support universal credit. What we do not support is its shambolic implementation, and it is deeply offensive when Conservative Members accuse us of negativity.

Does the Minister know what it is like to live in a home in which every single penny is taken up by providing the necessities of living? Does he know what it is like not to have enough to eat? Does he know what it is like to be cold at home? Does he know what it is like to see a parent anxiously dreading the fuel bill dropping through the letterbox or worrying how they will buy school shoes or a warm coat for their children? Well, I do.

I grew up in a single-parent family in which my mother tried desperately hard to keep a home for my brother and me. She always worked, and she did not drink or smoke. She was always embarrassed to claim benefits, but she had no choice but to claim financial support to supplement her wages. There were no spare pennies, and a week's benefit was the difference between our having enough to eat or not. I know only too well how hard it has been for single parents in my constituency to face as much as two months of waiting for universal credit payments.

The Minister is proudly promoting a system that is causing widespread misery, a system of hardship that is punishing families who are doing their absolute best, a system that is pushing more children into poverty. If the Government are serious about giving all children opportunities and supporting all families, I urge them to listen and to support the motion tonight.

6.28 pm

Mohammad Yasin (Bedford) (Lab): Universal credit was rolled out in Bedford in May, and it is causing pain and suffering to many of my constituents who find themselves much worse off after being transferred on to the new system. We were told that under universal credit people would never be worse off in work, but in reality the opposite is true. The fastest growing category of people in poverty are those in work, and many people on UC are worse off.

Work does not pay under this Government. Work does not pay for my recently bereaved constituent who has lost her bereavement benefit and now has to look after her two children as a working mother with £300 less a month. Work does not pay for my constituent who is now £250 worse off after transferring to UC. Work does not pay according to local charities, which tell me that on a daily basis they are meeting people who are facing debt crises of one sort or another. This experience is forcing people—often working families—into desperation,

real poverty and shame, but it is this Government who should be ashamed, for introducing this cruel, shambolic and failed reform.

6.30 pm

Stephen Timms (East Ham) (Lab): According to the plans announced by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) in July 2010, just after that year's general election, the roll-out of UC was due to be completed this month; October 2017 was when it was all going to be finished. Instead, as we have heard, only 8% of the roll-out has taken place. So it has been a little ironic to hear Ministers and former Ministers who have presided over such an extraordinarily delayed programme getting hot under the collar about the sensible and thoughtful proposal from my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) that this project should now be paused in order that the problems we have heard so much about in this debate can be fixed.

I want to touch on the emerging administrative problems with the way this benefit is being delivered, with reports from the Child Poverty Action Group about UC being underpaid because real-time information provided by HMRC about income is not always reliable or accurate. It has also reported on claimants being paid the wrong amount of UC for no apparent reason. In other words, there is growing evidence that the IT for delivering UC is not working as it should. The position was well summed up by the current Secretary of State's former boss, George Osborne, in his *Evening Standard* editorial last Thursday, where he wrote of the

"sorry history of procuring an IT system for the new universal credit".

A sorry history indeed it has been. In particular, there is growing evidence that this RTI system is not doing what it is supposed to do. That was flatly denied by Ministers for months until it emerged last month in response to a freedom of information request: the existence of the late, missing and incorrect RTI project.

6.32 pm

Christine Jardine (Edinburgh West) (LD): I have to confess that I am one of the many who was impressed when I first heard about UC. Let me assure the hon. Members for Totnes (Dr Wollaston), for Angus (Kirstene Hair) and for South Cambridgeshire (Heidi Allen) that the principle of making benefits easier to claim and helping people back into work is one I still support. But I find that the reality—the operation of UC and all the evidence—creates a very different picture. We hear that, instead of it helping, as many as 1 million children could be pushed into poverty by 2020. That surely cannot be the legacy that my Conservative colleagues would want to leave for future generations. They surely cannot be content with what they are hearing in this Chamber from constituents and even their own Back Benchers: that families are facing rent arrears and the threat of losing their homes; that there is anxiety about missed payments; and that people are choosing between making those payments or feeding their families.

Citizens Advice Scotland has already seen more than 100,000 people, one in five of whom have waited more than six weeks for payments—and only 14 areas in Scotland have UC. We stand at an important crossroads: the Government have the opportunity to pause UC,

[Christine Jardine]

address its many flaws and say to those coping with the cruel reality of this botched benefit reform, “We hear you. We recognise the problem and we will fix it.” I appeal to my colleagues on the Government Benches to reject that approach. Simply to abstain or to forge ahead with this now universally discredited scheme would demonstrate beyond doubt the emptiness of Government claims that they are building a country for everyone.

6.34 pm

Tracy Brabin (Batley and Spen) (Lab/Co-op): Time dictates that I should speak about one section of the community for whom universal credit will have a particularly devastating impact: the self-employed, and specifically actors and creatives.

Most entertainers are self-employed. It has been established by case law and accepted by HMRC that entertainers should usually be classed as self-employed for tax purposes, but universal credit penalises those deemed gainfully self-employed by averaging out their previous years’ income and in most cases treating claimants as earning 35 times the national minimum wage—the minimum income floor. They are treated as if they earn £1047.50 a month, regardless of whether or not they do.

It is clear from the figures that self-employed claimants are far worse off on UC than they were on legacy benefits, and even more worse off compared with other unemployed UC claimants. As UC payments include housing costs, unemployed creatives will be unable to pay their rent, risking homelessness.

Unlike other UC claimants, entertainers do not have a choice about whether they pursue self-employment; they must be registered as self-employed to work professionally. In April, the Work and Pensions Committee called for the solving of the problems with the practical operation of UC to be made an urgent priority and for improvements to be made to its sensitivity to the realities of self-employment. Until that is done, the minimum income floor should not apply to self-employed UC claimants.

I urge the Government to celebrate our brilliant creative industries while understanding that the ebb and flow of entertainment salaries should not throw people into poverty. They must not undermine access for the working-class entertainers who enrich the creative industries as a whole. Please, pause and fix.

6.36 pm

Faisal Rashid (Warrington South) (Lab): I shall focus on the problems with universal credit in Warrington South. As the Minister will know, Warrington is one of the pathfinder areas in the north-west in which universal credit was introduced in 2013. As such, we are already seeing the severe consequences of the Government’s mishandling of universal credit in our communities.

It is often the most vulnerable in society who are most affected by the failures of programmes such as universal credit; indeed, low-income individuals and families are among those who have been hit the hardest. The annual report from Warrington food bank highlighted that in 2016-17 the number of meals delivered increased by 13.9% on the previous year. Volunteers and trustees

at the food bank found that the increase was directly linked to the full roll-out of universal credit in the town. Research found that 48% of the 56,000 meals given out by Warrington food bank went to individuals suffering because of benefit changes or delays, and more than 34% of those meals went to children.

The situation is unacceptable and unsustainable. Government failures are putting people at increased risk of eviction and visits from bailiffs. The help offered in the form of Government advances comes with repayment rates that are unaffordable to many. The stated aim of universal credit is to make work pay and thereby encourage individuals back into work. The Government should consider this: if people have nowhere to live and nothing to eat, how can we expect them to get a job? Universal credit is simply not fit for purpose and the Government must pause the full service roll-out.

6.38 pm

Alex Sobel (Leeds North West) (Lab/Co-op): Although it is obvious that the issues with universal credit could be addressed swiftly—for example, by reducing the waiting time for first payments; by providing emergency advances, but not as loans; and by equalising the in-work support disparity between the current system and universal credit—I fear that the problems with the policy run much deeper. In demanding that the Government address these select issues, we risk presenting them merely as bugs, but they are not bugs; they are built into the system.

Universal credit was designed to offer a distinctly Conservative solution to a distinctly Conservative analysis of Britain today. It will teach a claimant how to make the right spending decisions by forcing them into rent arrears. It will help someone to resolve the conflicts in their relationship by depositing the sum total of their benefits into their partner’s bank account. It will put a whole month’s rent, previously paid directly to the landlord, into the pocket of a parent who is struggling with debt and dependency.

When we hear from the frontline about the problems with universal credit—long payment delays, rent arrears, domestic abuse victims trapped, and the arbitrary sanction of payments—we must understand that they are no accident; they are about ideology. They are not bugs; they are features. That is why we need to pause and to fix the system of universal credit. We argue not with the principle of it, but with its entire implementation, which is broken.

6.39 pm

Margaret Greenwood (Wirral West) (Lab): This debate has been wide ranging, and we have heard Members from all parts of the House describe with real focus and urgency the unrolling fiasco that is universal credit under this Government.

Ninety Members put in to speak in this debate, reflecting the huge concerns across the House and in the country. Labour calls on the Government to pause the roll-out of universal credit and fix the problems that have been so clearly described today.

Universal credit was designed to simplify the benefit system and provide support for those on low pay and out of work. We in the Labour party supported those original aims, but, in fact, this new benefit is damaging the lives of many of the people it is supposed to support.

Ruth George: Does my hon. Friend agree that, when the Institute for Fiscal Studies says that a further 3 million working families will be made, on average, £2,500 a year worse off, universal credit is never going to work for working families?

Margaret Greenwood: My hon. Friend makes a very strong point and I thank her for it.

Sir John Major recently called the roll-out of universal credit operationally messy, socially unfair and unforgiving. A former Government official, Dame Louise Casey, likened it to jumping off a cliff. Members are extremely concerned about what universal credit means for their constituents. Indeed, 12 Members from the Government Benches have written an open letter to the Secretary of State, calling on him to pause the roll-out, and their concern is widely shared around the House.

In response to concerns raised last week, we heard the Secretary of State reassure us that those who go on to universal credit are more likely to be working six months later than they would be had they been on legacy benefits, and that they are also more likely to be progressing in work. However, his statistics date from 2015 when universal credit claimants were, on the whole, single unemployed jobseekers, whereas the benefit is now being rolled out to people with much more complex circumstances. Furthermore, his statistics dated from before the cuts to work allowances were introduced in April 2016.

In response to concern from all parts of the House about what is happening now, the Secretary of State said that universal credit is about ensuring that our constituents are in a stronger financial position—

Dan Carden (Liverpool, Walton) (Lab) *rose*—

Margaret Greenwood: I cannot give way, as I must make progress.

The reality, according to the Trussell Trust, is that food bank referrals have increased by more than double the national average in areas in which the universal credit full service has been rolled out. The Peabody Trust says that the arrears rate for its tenants in receipt of universal credit is three times that for tenants unaffected by universal credit. Half of families in arrears under universal credit have said that their rent arrears started after they had made a claim.

The Secretary of State said that if tenants have a reasonable expectation of receiving housing costs as part of their universal credit payment, the landlord should not take action and the tenant should not face eviction. If only it were that simple. Research by the Residential Landlords Association published in August found that 29% of landlords had taken action to evict a tenant on housing benefit or universal credit in the past 12 months and that arrears were the main reason for doing so. It also found that two in three private landlords were more reluctant to rent to claimants of universal credit because of their concerns about arrears.

The Secretary of State presented advance payments as the answer to the problems of delays in universal credit, but advance payments amount to only 50% of two weeks' payments of the claimant's estimated universal credit. He wants to raise awareness of advance payments, but if half of the claimants are already taking advance payments even before he has started, people are clearly struggling to get through the waiting period.

Organisations such as Citizens Advice have been sceptical that advance payments are the solution because they see the reality of what it is like to cope with no income for the six weeks or more wait without savings. As Members of Parliament, we are here to serve the people who live in our constituencies. It is our job to take the Government to task when they get it wrong, and on universal credit, they have got it seriously wrong—wrong in the design and wrong in the delivery. Let us look at the design first.

The flaws in the design of universal credit are many. The infamous six-week wait is a built-in pathway to problem debt. Universal credit is meant to mirror the world of work, but waiting six weeks or more to be paid does not, especially where people are used to being paid weekly or fortnightly by an employer. When I asked DWP what percentage of UC claimants receiving in-work support are paid monthly, the answer I received was:

"We do not have quality assured data on the payment cycles of universal credit claimants who are in work or for those who were in work before they claimed."

Then there is the payment of the housing element directly to the claimant, not the landlord, putting vulnerable claimants at risk of eviction and exploitation. The difficulty in arranging alternative payments has also been described. The two-child limit means that a new baby in a family that already has two children will not have the same social security support as their brothers or sisters because the family will not qualify for tax credits or universal credit for that child, with the unacceptable implication that some children are valued more than others. There is the minimum income floor for the self-employed, who the Government assume, for the purposes of universal credit, earn the equivalent of 35 hours a week on the national living wage after a year, even though around half of self-employed people earn less than two thirds of median weekly earnings.

The cuts to work allowances will leave some families up to £2,100 a year worse off even after the changes to the taper rate announced last year. The failure to provide work allowances for second earners brings into question the effectiveness of work incentives under universal credit, particularly given the importance of a second earner to address in-work poverty. The withdrawal of severe disability premium in universal credit means that some disabled people can be up to £62 a week worse off if they move on to universal credit because of changes in their circumstances such as moving from a live to a full service area or claiming another benefit such as PIP.

Paying universal credit to only one person in the household is a risky experiment, with scant regard as to what that might mean to victims of domestic violence and their children. There is an insistence that claims in the full service should be made and managed online, despite the fact that the most recent Government figures—from the Department for Business, Innovation and Skills in 2011—show that 5 million people in the UK lack basic literacy skills, 8 million lack basic numeracy skills and nearly 5 million had below entry-level IT skills. Many people on low income cannot afford internet access, or face increased difficulty accessing it because of the closure of libraries and jobcentres over the course of seven years of Conservative austerity. In any case, public libraries are not always the most appropriate places to fill in forms with personal information. We are all aware that broadband access can be even poorer in rural areas.

[Margaret Greenwood]

The list of design flaws is a long one. Then, of course, there are the failures in the implementation of universal credit under this Government. Not only have the Government designed a policy with the six-week delay built into the system, pushing many claimants into debt, but the Government are failing in the delivery too. The Secretary of State boasts that 80% of new claimants are paid on time, but this is hardly something to boast about. By this reckoning, we can expect that 80,000 people will have to wait longer than six weeks to receive their money over the next six months, and 40,000 will have to wait longer than 10 weeks. Surely the Secretary of State does not find that acceptable.

There is a crisis of problem debt, with 8.3 million people in the UK struggling with debt and £200 billion of unsecured consumer credit debts. On Monday, the chief executive of the Financial Conduct Authority warned that increasing numbers of young people are having to borrow to cover basic living costs. One of the most basic living costs of all is housing. Yet, young people aged 18 to 21 do not qualify for any help with housing costs in universal credit full service areas unless there are special circumstances. We now have a complicated patchwork of social security, where people with the same circumstances may have very different entitlement to social security depending on whether they are on legacy benefits or universal credit, and whether they live in a live or a full service area. Even DWP staff often find it difficult to know which benefit people should be claiming.

Despite all those issues, the Government have decided to accelerate the roll-out of universal credit to 50 jobcentres a month, at the same time as closing one in 10 jobcentres across the UK and a number of back offices. There are real question marks over whether the Department has the resources to deliver its universal credit programme, especially in the light of the 800 redundancies it has announced. Other problems include the online system struggling to accept evidence of people's identity and childcare receipts when they are not on headed note paper. Citizens Advice highlighted the case of a mother who lost her job because she had to stay at home and look after her children when her universal credit was not paid in time.

The Government tell us they have a policy of test and learn when it comes to universal credit. Well, it is certainly testing people who have to wait weeks on end to receive their money. The testing is on real people and the consequences can be devastating, yet we see little evidence of learning—but there is still time and I urge the Secretary of State to learn, because the human cost of failing to take action would be great.

Universal credit was intended to be simpler, but we now have an incredibly complicated system where the nature of someone's entitlement to social security has become a postcode lottery. It is vital that in the future we have a social security system that is robust enough to serve us well in the face of all the challenges before us, including the current insecurity of the labour market, the changing shape of families and the many challenges automation will bring as we move into the fourth industrial revolution.

6.50 pm

The Minister for Employment (Damian Hinds): We have had a very good debate this afternoon, with fully 75 speeches—passionate, thoughtful and insightful—from Members on both sides of the House. I regret that in the time available I simply cannot respond to all the points made. I will cover as much of the material as possible, but I ask for colleagues' forbearance in terms of interventions.

The debate may end at 7 pm today, but the discussions will go on. We recognise that some colleagues may have concerns outstanding, especially about vulnerable constituents when they first apply to universal credit. My right hon. Friend the Secretary of State and I will continue to work actively with colleagues to address those concerns and to ensure that, if changes need to be made, they are delivered.

Frank Field: Will the Minister give way?

Damian Hinds: I am terribly sorry, particularly to the right hon. Gentleman of all people, but I have less than nine minutes—

Frank Field: It is on a question I asked earlier.

Damian Hinds: Okay.

Frank Field: I posed the question twice to the Secretary of State. Our local food bank in Birkenhead says that from Christmas onward, it will need 15 tonnes more food because of the roll-out of universal credit. Should local people believe the food bank or the undertaking the Secretary of State gave that it will all be hunky-dory and those are scare tactics?

Damian Hinds: Of course I gave way to the right hon. Gentleman, who is the Chair of the Work and Pensions Committee. To respond to his question, of course we do not expect that to happen. What universal credit does is make it more straightforward for people to go into work at all times of the year. Fundamentally, we are not looking at a great acceleration in the roll-out. I will be happy to follow up with him after the debate. We will provide further progress updates in the weeks ahead and I look forward to active dialogue with colleagues.

Our current system is at once too complex and too uniform. It holds people back because of the perceived risk of ending a benefit claim to go into work, and it is not always obvious how much better off they will be. All too often, once they are in work people are caught by the hours rules in tax credits. I think we have all met people in our surgeries who are stuck on 16 hours a week when they want to be able to get on, progress in their career and provide more for their family. That was illustrated well by my right hon. Friend the Member for Forest of Dean (Mr Harper) and my hon. Friend the Member for Thornbury and Yate (Luke Hall).

Those and similar features have been endemic in our system for decades, and I pay tribute to my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) and Lord Freud for their insight and determination not merely to regret those things but to reform them; not just to critique the system but to change it. My hon. Friend the Member for Charnwood (Edward Argar) put it well when he said that it was not so much that the old system was designed badly, but that as a whole the old system was not designed at all.

The new system, universal credit, simplifies by merging six benefits into one and asking people to deal with only one part of Government, not three. The hon. Member for East Antrim (Sammy Wilson) reminded us of the value of simplicity, which is true both for the individual and for the taxpayer. The core design element is that the system looks back over what someone has earned over a month and automatically adjusts payments based on that. It erases the binary distinction between in work and out, and removes the need to flip from one benefit to another, then back again. The consistent taper rate means that people will always know that they will be better off in work and with every extra pound they earn. Universal credit prepares people for work, helps them into work and helps them to get on in work.

My hon. Friend the Member for Horsham (Jeremy Quin) reminded us what happens when implementation is rushed, as we saw with working tax credit in the early 2000s. By contrast, the implementation of universal credit is happening over nine years. It is now available in the live service version in every part of the country. In July, we introduced the full service to 29 jobcentres across the country; feedback was positive and system performance improved. There has been much talk about pauses. Well, in August and September, we had one of our pre-planned pauses in the roll-out.

These pauses ensure that we do have the opportunity to learn lessons, build improvements into the system, and address any issues. From this month, we will be scaling up roll-outs to about 50 jobcentres a month. After another substantial planned pause in the programme's roll-out, managed migration begins in June 2019. The whole roll-out will complete in 2022. It is all being done in a careful, co-ordinated way to ensure that improvements can always be made along the way.

Universal credit is designed to mirror the way that most people in work are paid, which is, these days, monthly. The first payment period is five or six weeks, depending on the individual's circumstances.

Dan Carden: Will the Minister give way?

Damian Hinds: I am sorry, but I cannot.

Our latest data show that about 80% of new claims were paid in full and on time, and over 90% of people receive some payment at the due date. Among all claims, 92% are paid in full and 96% are getting some payment by the due date. Advances are available, paid within five working days and, in an emergency, on the same day. They are paid back over six to nine months. For vulnerable claimants, it is possible to have rent paid direct to the landlord, and 34% of social sector tenants on universal credit have this arrangement right now. Our trusted partner system will further streamline the system for landlords to identify tenants who should be on those direct payments. My hon. Friend the Member for Gloucester (Richard Graham) asked about publishing the schedule of when that is coming to different housing associations. I cannot see him in his place, but I say to him that we will do that. Split payments and more frequent payments are also available where needed.

I want to respond very briefly to some of the points made from the Floor. The hon. Member for Birmingham, Yardley (Jess Phillips), whom I cannot see in her place—this important point was also raised by my hon. Friend the Member for Isle of Wight (Mr Seely)—asked about

privacy and security arrangements for victims of domestic violence. I will look into that further, and I would welcome the opportunity to discuss it with her.

The question of universal support came up, including from my right hon. Friend the Member for Chingford and Woodford Green. I commit to him that we absolutely continue to focus on that and see the absolute value of it. My hon. Friend the Member for Walsall North (Eddie Hughes) reminded us of the valuable role that can be played by partners, including housing associations.

The hon. Member for Newport East (Jessica Morden) questioned whether we were cutting staff. We are not cutting staff—we are increasing our staffing numbers in parallel with universal credit roll-out. I would like to follow up the specific case she mentioned with her separately, if that is all right. I will also perhaps speak separately about it to the hon. Member for East Lothian (Martin Whitfield).

My hon. Friend the Member for Waveney (Peter Aldous) talked about emergency temporary accommodation. He has been very assiduous on these matters. We have listened to concerns on this, and we are looking closely at it. We will work with the sector to find a solution. We are also looking at the APA—alternative payment arrangement—process in the private rented sector in order to improve it, and we continue to look at the issues around housing benefit debt recovery.

IT access and capability was rightly mentioned by several Members, including my hon. Friend the Member for Eastleigh (Mims Davies). Digital skills are very important. That is why we have the extra support and help in jobcentres, with PCs there. My hon. Friend the Member for Boston and Skegness (Matt Warman) pointed out that those IT skills are also incredibly important these days in applying for jobs and when in work.

The hon. Member for Midlothian (Danielle Rowley) asked about childcare. I can confirm that within universal credit the maximum reimbursable amount rises from 70% to 85%, and that is on top of the doubling of free provision for three-year-olds and four-year-olds. The hon. Member for Glasgow South West (Chris Stephens) asked about premium phone numbers. I share his abhorrence of companies who do this—third parties who pretend to be something they are not. I will work with him to try to find a solution. It is not absolutely clear that anything illegal is going on, but I agree that we must try to find a way to address it.

Many hon. Members made passionate speeches about social justice and child poverty. We heard excellent speeches from my hon. Friends the Members for North East Derbyshire (Lee Rowley), for West Aberdeenshire and Kincardine (Andrew Bowie), for Middlesbrough South and East Cleveland (Mr Clarke), for Angus (Kirstene Hair), for Southport (Damien Moore), for Mansfield (Ben Bradley), and for Totnes (Dr Wollaston). We all care passionately about these subjects. Although it is very welcome that child poverty has come down, there is more to do. We know that work is key. There are 608,000 fewer children in working households since 2010, but universal credit will help further.

Yes, this is a fundamental—

Mr Nicholas Brown (Newcastle upon Tyne East) (Lab) *claimed to move the closure (Standing Order No. 36.)*

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put.

The House proceeded to a Division.

Mr Speaker: I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 299, Noes 0.

Division No. 24]

[6.59 pm

AYES

Abbott, rh Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allin-Khan, Dr Rosena
Amesbury, Mike
Antoniazzi, Tonia
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Sir Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, rh Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blomfield, Paul
Brabin, Tracy
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Butler, Dawn
Byrne, rh Liam
Cable, rh Sir Vince
Cadbury, Ruth
Campbell, Mr Ronnie
Carden, Dan
Carmichael, rh Mr Alistair
Chapman, Douglas
Chapman, Jenny
Charalambous, Bambos
Cherry, Joanna
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella

Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Davey, rh Sir Edward
David, Wayne
Davies, Geraint
Day, Martyn
De Cordova, Marsha
De Piero, Gloria
Dent Coad, Emma
Dhesi, Mr Tanmanjeet Singh
Docherty-Hughes, Martin
Dodds, Anneliese
Doughty, Stephen
Dowd, Peter
Drew, Dr David
Dromey, Jack
Duffield, Rosie
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
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Frith, James
Furniss, Gill
Gaffney, Hugh
Gapes, Mike
Gardiner, Barry
George, Ruth
Gethins, Stephen
Gibson, Patricia
Gill, Preet Kaur
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia

Grogan, John
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh David
Hardy, Emma
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hermon, Lady
Hill, Mike
Hillier, Meg
Hobhouse, Wera
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Huq, Dr Rupa
Hussain, Imran
Jardine, Christine
Jarvis, Dan
Johnson, Diana
Jones, Darren
Jones, Gerald
Jones, Helen
Jones, Mr Kevan
Jones, Sarah
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, Afzal
Killen, Gerard
Kinnock, Stephen
Kyle, Peter
Laird, Lesley
Lake, Ben
Lamb, rh Norman
Lammy, rh Mr David
Lavery, Ian
Law, Chris
Lee, Ms Karen
Leslie, Mr Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Linden, David
Lloyd, Stephen
Lloyd, Tony
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Angus Brendan
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marsden, Gordon
Martin, Sandy
Maskell, Rachael
Matheson, Christian
Mc Nally, John

McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, rh John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
McMorrin, Anna
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Moran, Layla
Morden, Jessica
Morgan, Stephen
Morris, Grahame
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Norris, Alex
O'Hara, Brendan
O'Mara, Jared
Onasanya, Fiona
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Owen, Albert
Peacock, Stephanie
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Phillipson, Bridget
Pidcock, Laura
Platt, Jo
Pollard, Luke
Pound, Stephen
Powell, Lucy
Qureshi, Yasmin
Rashid, Faisal
Rayner, Angela
Reed, Mr Steve
Reeves, Ellie
Reeves, Rachel
Reynolds, Jonathan
Rimmer, Ms Marie
Robinson, Mr Geoffrey
Rodda, Matt
Rowley, Danielle
Ruane, Chris
Russell-Moyle, Lloyd
Ryan, rh Joan
Saville Roberts, Liz
Shah, Naz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Angela
Smith, Cat
Smith, Eleanor
Smith, Laura

Smith, Nick
 Smith, Owen
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Spellar, rh John
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Sweeney, Mr Paul J.
 Swinson, Jo
 Tami, Mark
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, Nick
 Thornberry, rh Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen

Twist, Liz
 Umunna, Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Walker, Thelma
 Watson, Tom
 West, Catherine
 Western, Matt
 Whitehead, Dr Alan
 Whitfield, Martin
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Dr Paul
 Williamson, Chris
 Wilson, Phil
 Wishart, Pete
 Wollaston, Dr Sarah
 Woodcock, John
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Ayes:
Thangam Debbonaire and
Jeff Smith

NOES

Tellers for the Noes:

Mr Alan Campbell and
Vicky Foxcroft

Question accordingly agreed to.

Resolved,

That this House calls on the Government to pause the roll-out of Universal Credit full service.

Debbie Abrahams: On a point of order, Mr Speaker. This is a major defeat for the Government on their flagship social security programme. Conservative Whips and the Prime Minister have spent the day strong-arming Conservative MPs to vote against a pause in the roll-out of universal credit, while the Secretary of State has retreated on various aspects of his universal credit policy in a panicked attempt to appease Tory MPs who know that the policy is not fit for purpose.

Yet again, the Prime Minister and the Tories cannot command a majority in the House of Commons. The Prime Minister is in office but not in power. Mr Speaker, have you had an indication from the Prime Minister or the Secretary of State that they intend to come to the House and clarify how they will ensure that the Government implement the clearly expressed will of the House to pause the roll-out of universal credit?

Mr Speaker: I am grateful to the hon. Lady for her point of order. The short answer is that I have received no indication as yet that any Minister intends to come to the House to make a statement on that matter, although it is of course open to colleagues to request such.

I should say the following in these relatively unusual—not unprecedented, but relatively unusual—circumstances. There is nothing disorderly about a recorded vote of the House in which there are no Members recorded as voting no. Members who shout “No” when the question is first put must not vote aye, but they are not and cannot be obliged to vote no. As Standing Order No. 39 states:

“A Member is not obliged to vote.”

A Division requires two Tellers on either side and that was the case.

I should add as follows. A resolution of the House of Commons is just that: an expression of the view of the nation’s elected representatives in the House of Commons. This is important and Members need to hear this part of what I have to say. Constitutionally, from my own experience but based also on procedural advice, and as clearly as what I said a few moments ago, the House cannot direct Ministers. It is for Ministers in the Government to decide how to respond to the clearly expressed view of the House. I feel confident that they will do so, bearing in mind the mood of the House expressed in the urgent debate, which I allowed just two weeks ago, on the need for Government respect for the proceedings of the House.

Mr Peter Bone (Wellingborough) (Con): Further to that point of order, Mr Speaker. Just a slight correction, of course: the Government did not vote against the motion and so could not possibly have lost it. It might be that the Labour deputy Chief Whip will have to be sacked for rebelling against the Labour party line. On a serious point, Sir, would you agree that it would be helpful if there was a convention in the House that where a substantive motion is passed the Government should come to the House, within a reasonable time, and make a statement about what they intend to do about it?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. My response is twofold. First, I do not cavil—I have known him a long time—but I have not been corrected. I have been corrected many times in my life—I make no complaint about that—but I require no correction on this occasion. [*Interruption.*] Oh, there is a suggestion that somebody else was being corrected. Well, I will not get into that nether region.

Pete Wishart (Perth and North Perthshire) (SNP) *rose—*

Mr Speaker: We will come to the hon. Gentleman. I am saving him up; I would not want to waste him.

What I said was correct. This was the expressed will of the House. If people choose not to take part in a Division, they cannot suddenly say, “Well, we didn’t lose”. We are elected to come to this place to debate and decide what our position is on motions. If people choose not to vote, that is perfectly in order, as I have explained, but the motion was carried. That is not an expression of opinion on my part. It is not an indication of bias, a display of partisanship, a siding with one party or another; it is a statement of fact. The motion was passed. End of subject.

Secondly, I strongly agree with the hon. Gentleman, who has been utterly consistent with what he said the other day. I think it highly desirable that the Government, in the light of the result, should come to the House and show respect for the institution by indicating what they intend to do. It may be that a Minister would wish to do that or the Leader of the House. As we all know in this place, the Leader of the House is not merely the Government’s representative in the House; the Leader of the House has to be the House’s representative in the Government. What I have said is extremely clear, and we will await events patiently, as always.

Pete Wishart: Further to that point of order, Mr Speaker. It is quite clear that the Government’s behaviour is bringing the working arrangements of the House into

[Pete Wishart]

disrepute. A Minister is not going to come to the House to explain why they did not turn up to vote, but what can you do to help the House compel the Leader of the House to come to the House and make a statement about the Government's behaviour and refusal to participate in the democratic arrangements of the House?

Mr Speaker: I must be absolutely explicit in response to the hon. Gentleman, for his benefit and that of the House, and the short answer is that it is not within the powers of the Speaker to compel a Minister, including the Leader of the House, to do anything in this situation. We very much depend in this House, this institution, this great place, on conventions, precedent and a sense of respect for the will of the House. He is a very experienced Member of this place and will know that mechanisms are available to him and others, on both sides of the House, to try to secure a governmental response, if they wish. If they do, they will certainly not find the Speaker an obstacle to their endeavours.

Sir Edward Leigh (Gainsborough) (Con): Further to that point of order, Mr Speaker. I do not quite understand something. For 34 years, I have been trooping through hundreds of Divisions on Wednesdays under successive Labour and Conservative Governments. When I was required to be here for those Divisions, I was under the impression that it served some purpose. What worries me is that surely there is some precedent here. You mentioned precedent a moment ago, Mr Speaker. This is not, and should not be, a university debating society. What is the point of the House of Commons if we just express opinions for the sake of it? Surely, when we vote, it should have some effect. I hope that you will use your influence, through the usual channels, to ensure that the House of Commons is at the centre of our national life.

Mr Speaker: I absolutely respect what the hon. Gentleman has said. There have been occasions on which, for example, Opposition day debates have expressed a view different from that of the Government. I think there was a case some years ago, when the hon. Gentleman's party was in opposition, in which that party was successful in a motion that it brought to the House, and the policy of the Government changed thereafter; but it is not for me to say that that has to happen. I have tried to tread a delicate path on this matter, and to explain factually to the House what the result of the vote does signify, but equally, in response to the hon. Member for Perth and North Perthshire (Pete Wishart), what it does not automatically signify.

I must say to the hon. Gentleman that it is not for me to seek to compel. What I will say to occupants of the Treasury Bench is that it is blindingly obvious that this is an unusual situation about which there is strong opinion, and I think it would be respectful to the House if a Minister, sooner rather than later, were to come to the House—perhaps after due consideration and collegiate exchange with other members of the Government—to give an indication of the Government's thinking.

This institution is bigger than any one party, and, frankly, it is bigger than any one Government. This place, and what we do here, matter very much. I know that the Secretary of State will share that view, and will want to reflect on what colleagues have said.

Several hon. Members rose—

Mr Speaker: I will take a couple more points of order. Mr Christian Matheson.

Christian Matheson (City of Chester) (Lab): On a point of order, Mr Speaker. Just a couple of weeks ago, in the House, the Government changed the rules of the House in respect of the composition of Standing Committees to give themselves an automatic majority. They justified that on the basis that they had a majority in the House, and that that should therefore be reflected in Standing Committees. Since it is now abundantly clear that they no longer believe they have a majority—given that they are running scared of every vote that we put to them—should we not be revisiting the decision made only a couple of weeks ago about the composition of Standing Committees?

Mr Speaker: I understand the point that the hon. Gentleman is making. I hope he will not take offence, but if he does, it is just too bad—[Laughter]—when I say that he has expressed, with his characteristic force and insistence, and no little eloquence, his opinion; however, there is not an automatic link between the two phenomena that he has described. There could be such a link, but it is not automatic. The hon. Gentleman's mind has raced ahead.

Mr George Howarth (Knowsley) (Lab) rose—

Mr Speaker: I am saving the right hon. Gentleman until last, because he is so senior.

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. It deals with the matter of precedent. I am sure you will agree that, historically, there have been plenty of occasions on which the Opposition have been so fed up with the Government that they have boycotted Parliament for some time and not turned up for any Divisions, but it is only this Government who have decided that they are so fed up with losing to the Opposition that they are going to boycott votes in the House of Commons. If we were to craft a motion cleverly, which, for instance, docked a Minister's pay by, say, £10,000, that would have an effect, would it not?

Mr Speaker: What I will say to the hon. Gentleman is twofold. First, I think it better not to entertain hypothetical questions, or, at any rate, not at this time. Secondly—and I say this with some feeling to the hon. Gentleman, who should know from his own experience the truth of what I say—cleverness can be effective in this place, but it is not invariably so.

Chris Bryant: As you know! [Laughter.]

Mr Speaker: I was rather minded to say that I would not know, but the hon. Gentleman would. I think we will leave it there for now.

There is also a difference between a motion that binds and a motion that does not. Whether the hon. Gentleman thinks the motion is clever or not, some motions instruct, and can therefore secure an outcome, and others do not. The hon. Gentleman will probably be aware not only of the distinction abstractly, but of what types of motion instruct and what types do not. These matters can be consulted on among colleagues and with professional advisers, but I think I should leave what I have said for now.

Mr Howarth: Further to that point of order, Mr Speaker. You have been admirably clear about the obligation that rests with the Government to address the situation they now find themselves in. Even if that is not cutting a Minister's salary for not responding, should there not be in our Standing Orders some provision whereby there can be a penalty for simply refusing to respond to the will of this House?

Mr Speaker: It is open to the House to look at its Standing Orders, and potentially to revise them, at any time; that is not for the Chair. I completely understand the sentiment the right hon. Gentleman has expressed, but I leave that to colleagues. I have tried to be absolutely fair on this matter: this motion does matter; it is important; it was passed. As a matter of fact, however, it is not binding. That is the situation.

I simply say to those who are concerned about a statement that there may be a statement tomorrow, and there are means by which people who want to procure a statement can seek to do so if none is proffered. That is just a statement of the facts. The Chair is not seeking to deliver any change tonight or make any commitment. It is not for me to do that. It is for sensible parliamentarians to talk to each other, to reflect on what has happened, to have a regard to the reputation of the institution, and to act accordingly. People are perfectly capable of understanding the significance of what I have said and of deciding, individually or collectively, how to respond, possibly as early as tomorrow.

PETITION

Superfast Broadband for Wellpond Green and Westland Green in Hertfordshire

7.32 pm

Sir Oliver Heald (North East Hertfordshire) (Con): This is a petition of residents of Wellpond Green and Westland Green in my constituency, and it contains the signatures of Dr Amanda Halliday and a total of 155 residents of those two villages. In fact, all the residents have signed, and they are aggrieved that undertakings to give superfast broadband access by March of this year were not kept, that they had given up the chance of going with another supplier on the basis of those undertakings, and that now they have been told they have to wait until 2019.

The petition states:

The petition of residents of Wellpond Green and Westland Green in Hertfordshire,

Declares that the villages were added to the Connected Counties/BT Openreach programme for superfast broadband for implementation by March 2017; further that many residents discontinued negotiations with an alternative supplier offering the same timetable; and further that Connected Counties then re-modelled the programme so that residents would not be connected until 2019 causing great inconvenience.

The petitioners therefore request that the House of Commons to urge the Government and BDUK to facilitate immediate connection of superfast broadband.

And the petitioners remain, etc.

[P002065]

Animals in Peril

Motion made, and Question proposed, That this House do now adjourn.—(*Craig Whittaker.*)

7.34 pm

Andrew Rosindell (Romford) (Con): In September, I read an article in the *New Statesman* entitled "We Are Heading Towards a World Without Animals". It was a shocking title for an article perhaps, but one that presents a truly horrific prospect for our world. Perhaps we need to be shocked—shocked into taking deadly seriously what must surely be one of the most profound issues our world faces today.

This powerful article, written by Simon Barnes, considered some of the most deeply concerning statistics, which highlighted the plight of some of our planet's most gravely endangered species. The article quotes the Living Planet Index, compiled by the Zoological Society of London and the WWF, and warns of a dramatic decline in wild animals by 2020, with 13,000 of the 65,000 species listed by the International Union for Conservation of Nature as being under threat, with 3,000 of those being critically endangered.

For example, African grey parrots have declined in numbers by up to 79% in the past 47 years, lions by 43% in 21 years and giraffes by 40% in 30 years. Possibly the worst of all is the decrease in the number of black rhinos—95% in the past 50 years. Primates are also drastically falling in numbers: a study published in the journal *Science Advances* revealed that 60% are threatened with extinction, including gorillas and chimpanzees. In the British Isles, we are by no means immune from the decrease in native species, with the Royal Society for the Protection of Birds reporting the hen harrier being close to extinction in the UK, the turtle dove declining by 93% since the '70s and the skylark having a population 10% of what it was 30 years ago.

We have also lost 8% of our butterfly species and 3% of the beetle population, and hedgehogs are in huge decline too, with their numbers plummeting to around 1 million, compared to 36 million in the '50s. As we all know, the red squirrel population continues to dwindle. I could go on.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for introducing this Adjournment debate and congratulate him on the hard work that he does on all these issues. May I say this to him very gently? Does he not agree that there is an onus on each of us not simply to refrain from harming animals, but to play our part in securing a better environment and habitat for animals? Will he join me in recognising the wonderful conservation work that is done in the United Kingdom of Great Britain and Northern Ireland by the wildfowling clubs and, indeed, the country sports sector as a whole?

Andrew Rosindell: I thank the hon. Gentleman for his intervention and agree entirely with his comments.

The author of the article does not pull his punches, stating that our planet is going through a significant change, that we are witnessing "right now" the process of widespread extinction and that humans

"seem to have accepted the idea that the loss of wild animals is the sad but acceptable price of progress...The loss of animal species is not seen as a serious matter—when did you last hear a politician talk about the extinction crisis?"

[*Andrew Rosindell*]

Well, tonight we are proving that assumption to be wrong: in this House of Commons and across the world, we must speak up about this crisis and do so with clarity, ever more loudly and with increasing frequency.

Keynote statistics about marine wildlife are also extremely alarming. The acidity and temperature of the seas are rising, and according to the UN Food and Agriculture Organisation's 2016 report, "The State of World Fisheries and Aquaculture", 90% of fish stocks across the world are fully exploited, over-exploited or in crisis. With the global human population increasing and the demand for all natural resources sky rocketing, scientists are understandably pessimistic about the future. Rationalising why these significant and deplorable animal population decreases have happened, and how to stop them decreasing further, is now a vital matter that we simply have to address. If we do not, we may suddenly find ourselves in a world with little or no large mammalian wildlife and a fundamentally disturbed nature across land, sea and air. What an empty world that would be. None of us could feel pride in handing it to future generations.

It is important to note that the animals in peril across the world are not just the large, iconic creatures we all love so much. Indeed, the vast majority are not. We all need to study the work of ZSL's "EDGE of Existence" programme, which prioritises species that are both evolutionary distinct and globally endangered according to the red list of the International Union for Conservation of Nature. An example is the Attenborough's long-beaked echidna. Named in honour of Sir David Attenborough, it was previously believed to be extinct. The EDGE programme uses a scientific approach to allocate limited funding most effectively to unique and special animals that could otherwise be so easily forgotten. If such species are lost, there will be nothing else like them on earth. I hope that the Minister will reassure the House that Her Majesty's Government regularly consult organisations such as ZSL and IUCN for their expertise and input on environmental policy on worldwide ecosystems.

During my time as an MP, as shadow Animal Welfare Minister between 2007 and 2010, and as chairman of the zoos and aquariums all-party parliamentary group since 2010, I have been privileged to work with many wildlife, conservation and animal welfare organisations, especially the ZSL and the British and Irish Association of Zoos and Aquariums, and many esteemed environmental organisations devoted to protecting wildlife in all forms. Today, sadly, there is much pessimism about the future. The message from organisations such as the UN, the World Wide Fund for Nature, BIAZA, Fauna & Flora International and many others is clear: we are running out of time and more needs to be done—much more.

The scientific consensus for that point of view is global and extensive. Oregon State University's "World Scientists' Warning to Humanity: a second notice" article argues that humanity needs to be environmentally sustainable, and it has been signed by more than 13,000 scientists from across the world. How many scientists need to speak out before Governments, politicians and people from across the world realise that it is in mankind's vital interests to ensure that our way of life is sustainable both now and in the future? The time to act is not next year or after the next election or at some

point in the future; the time to act is now. For example, we are all aware of the dire threat to the bee population caused by some insecticides. Is it not obvious that we should be acting pre-emptively both on climate change and when the existence of vital ecosystems are threatened, rather than waiting for a real crisis point or, worse, for when it is too late?

Before I talk about the areas where I believe Her Majesty's Government must do more, I want to mention the recently announced plans to ban the ivory trade in the UK. This ban is of course right, but it is long overdue. I commend the Secretary of State for Environment, Food and Rural Affairs for taking the lead on the issue at long last and acting to halt the decline in the world's elephant population. However, I fear that it may be seen in future years as too little, too late. The UK has been too slow to realise the enormous implications of the global ivory trade on the populations of large mammalian life, with the saddest statistics of all showing the ongoing collapse of the elephant population.

Around three quarters of a million African and Asian elephants exist in the wild today, but that number has fallen by 144,000 in the past seven years alone. I repeat: 144,000 in seven years. That rapid and seemingly out-of-control collapse is overwhelmingly due to the barbaric practice of poaching. Those numbers are astonishing and, on the face of it, show why the UK Government have done the right thing. However, why did we not act earlier? Of course we cannot turn the clock back, but we can learn from our mistakes and work to prevent a similar lack of foresight in future.

We must act faster to protect and save our wildlife by working with international organisations, both governmental and non-governmental, to do everything possible to crush poachers, to promote job creation in environmental conservation efforts across the world and, most importantly, to strive to rebalance our relationship with the natural world.

In what has become an increasingly unstable world, I have no doubt that the United Kingdom will continue to play its full part in working with our allies on maintaining geopolitical stability and preventing humanitarian crises, but, as our world becomes more complicated and harder to govern, my fear is that nature suffers, often taking a lower priority.

Twenty years from now, what will we say if some of the world's most iconic animals exist only in zoos and ecosystems across the world have collapsed or are on the verge of collapsing? How will we explain that to future generations?

We must surely make protecting our environment a key priority and a major destination of our resources. Our political system is designed to introduce, debate and pass legislation incrementally, and in this complicated age of domestic and international politics it is straining to find the time and energy to devote to such a big problem. With animal populations decreasing at such a dramatic rate, and with the global human population increasing by 83 million a year, we may need to be more radical in our approach.

I call upon Her Majesty's Government to do the following. The Department for Environment, Food and Rural Affairs needs greater resources to place more people on the ground to protect animals and plants in peril across the world. The Department for International

Development should also re-evaluate how it allocates money and consider how it might provide more help for anti-poaching efforts and environmental conservation.

The Government should also allocate more time in both the House of Commons and in the other place for debating environmental issues. Given the significance of some of the challenges we are discussing, using more of our time on this matter would not only be appropriate but would gain widespread public approval.

The Government also need to make greater commitments to international conventions and agreements and push for further-reaching targets, especially as we leave the European Union. For instance, will the Government commit to replacing the biodiversity strategy, adopted by the European Union in 2011, with an equal or greater British strategy? The United Kingdom has led the world on these issues in the past, and I have no doubt that the Minister will agree that Britain can and must do so again.

Additionally, the Government need to continue to commit to the UN's sustainable development goals. Although those goals do not necessarily focus on the protection of wildlife alone, it is beyond question that to ensure wildlife is protected and sustainable, both in the UK and worldwide, we need to counter issues such as poverty, health, education and sustainable cities. On the last of those issues, it is important that in the UK we ensure our cities can be a home for wildlife. We can help people and nature by improving air and river quality, and by expanding the size and improving the health of green spaces in every urban area. In short, we must ensure that future legislation uses every opportunity to promote conservation.

Finally, we must use our international influence to help, persuade and, if necessary, press Governments across the world to be more environmentally sustainable, which I consider to be an appropriate use of British influence and power. We must lead the world by example, educate and persuade, and we must never give in.

I draw my speech to a close by reflecting on the good that can be done when animals and plants in peril are identified and helped. There are teams of scientists, conservationists, zoologists and environmentalists across the world, many underpaid or just volunteers, who are dedicating their lives to helping the environment in all ways. It is right that we in the House pay tribute to what they have done and continue to do in working so hard to study these issues, often with their feet on the ground, to protect and guard our wildlife and natural environment.

Many such examples, I am proud to say, are some of the excellent conservation projects on and around our overseas territories. The UK and its overseas territories combined represent the fifth largest marine estate in the world, and have been at the vanguard of global efforts to increase ocean protection through the blue belt policy to create the largest marine sanctuaries anywhere on the planet. The UK is custodian to a third of the world's albatrosses, the world's largest coral atoll and, believe it or not, perhaps more than a quarter of the global population of penguins; 2018 represents the first milestone in this Parliament for the blue belt, with the Government of South Georgia and the South Sandwich Islands conducting a review of the sustainable-use marine protected area, encompassing more than 1 million sq km of its

exclusive economic zone. The Great British oceans coalition, comprised of the Pew Charitable Trusts, the Royal Society for the Protection of Birds, Greenpeace, BLUE, the Marine Conservation Society and the ZSL, is calling for the reclassification of the South Sandwich Islands as a fully protected reserve, highlighting that by safeguarding more than 500,000 sq km of pristine sub-Antarctic habitat, the UK can reaffirm its standing as a global leader by becoming the only nation in the world to create fully protected marine areas in the Indian, Pacific, Atlantic and Southern oceans.

When I learn of such fantastic and ambitious work being conducted in all corners of the planet, with Britain taking the lead, I am reassured. However, it cannot be business as usual. Although we are trying so hard to reverse and heal the damage caused to animal populations and wildlife across the world, it is pointless if we do not stop the cause of the problem. We need to engage ourselves in an enormous effort to guarantee the future of the wild, and the many animals and plants in peril, so that our successors can enjoy the knowledge of there being a wild beyond our shores, within these islands and on our very doorstep, and not find themselves in a world without animals.

In short, we as a civilisation, have to face up to one of the biggest challenges we will ever encounter: rebalancing how we fit within the natural world. As the great pioneer of conservation and founder of Jersey Zoo, Gerald Durrell, stated a generation ago:

"People think that I am just trying to look after nice, fluffy animals. What I am really trying to do is to stop the human race from committing suicide."

7.53 pm

Zac Goldsmith (Richmond Park) (Con): That was an extraordinarily powerful and deeply troubling speech, and I agree with every word that my hon. Friend the Member for Romford (Andrew Rosindell) spoke, but I want to add a little bit of good news and I am going to use the 30 or 40 seconds I have available to do so.

This very morning, four gorillas born and bred in Kent landed in the Congo, where they are due to be released by the Aspinall Foundation and will live the rest of their lives free. There are now 60 gorillas that have been released by that organisation, and those gorillas have bred 30 babies, which means that there are 90 gorillas that would not be there were it not for the work of that organisation. It is the only organisation in the world even attempting to rehabilitate—to reintroduce—gorillas, and we are talking not just about gorillas, but about 10 black rhino, 100 primates, 15 European bison, hyenas and much more besides. All I would say is that in a bleak and depressing landscape it is important that we celebrate heroes, and Damian Aspinall, Amos Courage and the team that work with them are heroes, and they need to be celebrated for the work they do.

7.54 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): It is a pleasure to serve under your chairmanship, Madam Deputy Speaker, in my first time in doing so. I have to say that you look very good in that Chair.

I congratulate my hon. Friend the Member for Romford (Andrew Rosindell) on securing this debate. He has a strong track record in supporting animals and their

[*Dr Thérèse Coffey*]

welfare, and he is absolutely right to raise this important issue. The protection of endangered species around the world is a key priority for this Government, as we reaffirmed in our manifesto earlier this year. Both domestically and internationally, a strong economy needs a healthy environment. That requires healthy ecosystems, global biodiversity and the conservation of species. An estimated 40% of world trade is based on natural resources, but pressures on the global environment are increasing. Major ecosystems, and the species to which they are home, support the livelihoods of billions of people, but they are under threat. In short, protecting animals is as vital for us as it is for them.

We are taking action, bilaterally and through international agreements, to protect wildlife populations, whether they are threatened by poaching, habitat loss or human-animal conflict. The United Kingdom is recognised as a global leader on environmental issues, whether by raising the illegal wildlife trade up the international agenda or through our commitment to tackling climate change, deforestation and ocean acidification.

We recognise the ongoing threat to elephants throughout much of Africa, so this month we announced our plans to ban the trade in ivory in the UK. We had already effectively limited trade in modern worked ivory and in all raw ivory. My hon. Friend the Member for Romford says it is “too little, too late”. I am concerned that he is not being generous enough, given that we already had the toughest laws and licensing regime in the European Union. I assure him that, if they go ahead as planned, the proposals will be the toughest in the world, except for those in India. I assure him that we are taking forward this important agenda.

The ban will build on the range of activities that we already undertake throughout Africa, to demonstrate further our global leadership in efforts to protect elephants and consign the ivory trade to history. We welcome the steps taken by other countries, particularly the USA and China, which has the largest market demand for ivory, to restrict their ivory markets. It is only through such international commitment and global co-operation that we will end this pernicious, blood-thirsty trade.

Nevertheless, I am sure my hon. Friend will recognise that the greater threat to animals in peril is habitat decline, whether because of direct human intervention or climate change. Deforestation not only destroys critical habitats for biodiversity but causes 10% of global greenhouse gas emissions. As Members will see later this month in “Blue Planet II”, significant impacts on the polar ice caps are threatening wildlife directly, while ocean acidification threatens the food web itself.

Forests support 90% of the world’s biodiversity, regulate water quality and mitigate climate change by absorbing and storing carbon. More than 1.6 billion people depend on forests for food, medicine and livelihoods. The UK is determined to eliminate deforestation in developing countries and is investing £5.8 billion through our international climate fund between 2016 and 2021, with additional focus on mitigation and adaptation. My Department is investing around £210 million to protect and restore more than 500,000 hectares of the world’s most biodiverse forests and create sustainable livelihoods for the 500,000 people who rely on their local ecosystems. These forests, from the mighty Amazon to mangroves

in Madagascar, are also home to thousands of species of animals, birds, fish and insects, many of which are critically endangered.

We are aware that illegal logging can cause environmental and biodiversity damage, as well as having a disastrous effect on the people who live in and rely on forests. The UK has long been at the forefront of global action against illegal logging. As a result of the EU forest law enforcement, governance and trade plan, which the UK was instrumental in establishing, all timber exports from Indonesia are now certified as legal, compared with only 20% meeting that standard in 2005.

This year, we are marking the 25-year anniversary of the world-renowned Darwin initiative, which provides grants to projects in developing countries for the protection and enhancement of biodiversity. Since 1992, we have invested £140 million in 1,055 Darwin projects in 159 countries. The projects tackle issues that put animals in peril, from the loss of and damage to habitats caused by human activity, to the reduction of the use of poisonous pesticides. Recent projects have helped to conserve iconic species such as gorillas—I pay tribute to my hon. Friend the Member for Richmond Park (Zac Goldsmith), who is right to praise the work of the Aspinall Foundation—as well as snow leopards and elephants.

The Darwin initiative is also critical to the protection of some lesser known animals, including the Madagascan pochard, possibly the rarest bird in the world, which was saved from extinction, and the St Helena wirebird, whose conservation status has been downgraded from critically endangered to vulnerable. Darwin projects have also discovered new species—for example, a new amphibian in Colombia and Madagascar and a new land-snail in Thailand—and led to the re-discovery of a rare crane fly on St Helena that was thought to be extinct for decades. That shows that we must continue to help conserve and protect habitats, creating places where animal populations not only survive, but thrive.

The Darwin Plus fund bolsters our commitments by protecting the unique diversity of our overseas territories, which are home to 85% of the UK’s critically endangered species. Invasive non-native species are a significant problem on many of the overseas territories as they can attack native species. That is why we are contributing nearly £2 million to eradicate mice from Gough Island, where they decimate local populations of seabird chicks.

We also aim to protect more than 4 million sq km of ocean around the overseas territories, making them safe havens for marine creatures. We will create a marine protected area around Tristan da Cunha and Gough Island in the South Atlantic, a UNESCO world heritage site that is home to northern rockhopper penguins and the Tristan albatross. Pitcairn’s new marine protected area permanently closes around 840,000 sq km to commercial fishing, thereby protecting species of fish found nowhere else on earth.

We also play a leading role in promoting the protection of whales and dolphins. We work tirelessly within the International Whaling Commission to improve the conservation and welfare of these animals. Earlier this year, the UK made a voluntary donation of £200,000 to tackle critical threats to welfare such as bycatch in fisheries. We are also a very strong voice against the commercial and scientific whaling undertaken by Norway, Iceland, and Japan. We regularly apply diplomatic pressure

to those countries to cease their activities, as I did just this week when I was at the G7.

The illegal wildlife trade is a serious criminal global industry. My hon. Friend will be aware that a lot of focus is on majestic species such as elephants, rhinos and lions, but the scale of illegal trade across all species is increasing. Indeed, pangolins are the most trafficked mammal. Unfortunately, their defence mechanism is to roll into a ball, which makes them even easier to poach and traffic. He should also be aware that flora is even more trafficked than fauna, including many plants, and rosewood has the greatest value of all. Early this year, a focused operation by Interpol across 43 countries seized birds, reptiles, seahorses and many other endangered species. I can assure him that the criminal enterprise of this scale is, unfortunately, only possible due to shocking levels of corruption. Therefore, in addition to legislative action, the Department for Environment, Food and Rural Affairs is investing £26 million—that was announced by my right hon. Friend the Leader of the House when she was Environment Secretary—which is double our previous investment. We are doing that to try to reduce demand, to strengthen law enforcement and to develop sustainable livelihoods for communities that live alongside such animals in peril.

There is also considerable work being done to develop sustainable wildlife tourism economies. Next October, the UK will host the fourth international conference on tackling illegal wildlife trade. We are committed to working with our international partners around the world to tackle the growing problem of illegal wildlife trade. Indeed, it is working with other nations to reduce

demand and disrupt this crime that will truly make the difference. For this reason, the UK and China are jointly developing a law enforcement training project in southern Africa, fulfilling the commitment that we made at the 2017 illegal wildlife trade conference in Hanoi.

The UK is an active participant in the Convention on International Trade in International Species. At the last conference in which I participated, the UK was involved with up-listing a number of species from appendix II to appendix I under the convention, which means that they are now afforded enhanced protection from such trade. These species include one of the species to which my hon. Friend referred—the African grey parrot—as well as the Barbary macaque, the turquoise dwarf gecko and the Chinese crocodile lizard. The 12th conference of the Convention on Migratory Species is meeting later in October and we will continue to work to ensure that more species are afforded greater protection.

My hon. Friend was absolutely right to refer to the domestic species, but he will recognise that our focus is on pressures on habitat, which will continue to pose challenges, whether that be domestically or abroad. Our work to date shows that it is possible, with effort and commitment, to improve the chances of some of our most endangered species. It is not something that the UK can do alone. Global action is needed and global responsibility is required, but I can assure him and the House that the UK will play its part.

Question put and agreed to.

8.4 pm

House adjourned.

Westminster Hall

Wednesday 18 October 2017

[ALBERT OWEN *in the Chair*]

Surgical Mesh Implants

Albert Owen (in the Chair): Before I call Emma Hardy to move the motion, I must tell hon. Members that the list of speakers is over-subscribed. I ask those who wish to speak and are on the list not to make long interventions, which eat into other hon. Members' time. I may also have to impose a time limit of four minutes for other speakers after Emma Hardy.

9.30 am

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): I beg to move,

That this House has considered the risks of surgical mesh implants.

It is an honour to serve under your chairmanship, Mr Owen. Many hon. Members present have been contacted by constituents affected by mesh surgery, which is a medical procedure used to treat incontinence and prolapse in women. The surgery, which usually takes less than half an hour, involves inserting a plastic mesh into the vagina to support the bladder, womb or bowel. It can also be used to treat rectal prolapses in both men and women. This debate is crucial, as it gives me and other colleagues the opportunity to be the voice for all those men and women who have been affected. Each individual story fits into the wider national and international narrative. This debate is our opportunity to call on the Government to do something about it and help to end the suffering of thousands of men and women in this country.

The issue of surgical mesh implants was first brought to my attention when I was visited by a constituent. She was advised in her 30s to have the mesh fitted, after suffering incontinence following the birth of twins and a hysterectomy. Its impact on her quality of life is devastating. She cannot walk very far now, she is unable to work, she is in constant pain and suffering, she is unable to partake in sports and she is having problems sleeping.

Mark Tami (Alyn and Deeside) (Lab): A constituent of mine has recently contacted me. She has just had a lengthy and painful surgery, but for years she was told that hers was an isolated case and there was no problem. This is a national scandal and needs to be treated in that way.

Emma Hardy: I will go on to talk about some of the problems with people recognising the symptoms later, so I thank my hon. Friend for that.

Since calling for the debate, my inbox has filled up with emails from men and women across the country telling me their horrific stories of having mesh implanted. I will read one of them, which I received just this week:

"Please help me I feel desperate. Who can I turn to to get relief from the terrible irritation and pain I am experiencing. My husband is very worried about my health mentally and bodily, because I keep telling him the quality of my life is dreadful."

To hear the stories of the women who have suffered complications following their surgery is extremely distressing. Women tell us that they were informed that the surgery would be a quick fix for their bladder problems, that they would be able to continue to have active lifestyles and that their incontinence would be corrected after the 20-minute operation. Women in their 30s, 40s and 50s tell us that they struggle to walk, have lost their sex lives and suffer from horrendous pain day in, day out. Some even suffer from post-traumatic stress disorder following the horrific impact that the mesh has had on their quality of life.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I congratulate my hon. Friend on securing this hugely important and timely debate. One of my constituents contacted me, and in her words:

"I've suffered pain, I've soiled myself, suffered depression and sepsis. My employment contract as a store manager will be terminated in the next few weeks due to ill health."

My life has changed dramatically but others shouldn't have to suffer the same fate. It really is unacceptable that we are in 2017 and this is allowed to happen."

I have no doubt that my hon. Friend will agree.

Emma Hardy: I absolutely agree with that. Sadly, that is also reflected in many of the emails I have read this week. I have no doubt that many women also suffer in silence, either too worried or too embarrassed to see their MPs, or completely unaware that their symptoms are replicated in other women who have had the mesh fitted.

Sir Oliver Heald (North East Hertfordshire) (Con): I pay tribute to the hon. Lady for giving national recognition to this important issue. Does she agree with what my constituent said to me: that it is shocking that something so agonising has not had the public recognition it deserves?

Emma Hardy: Absolutely; that is a really important point. The BBC programme "Inside Out West" that aired just this Monday evening highlighted some of the problems with rectopexy, which is a form of rectal mesh, and the investigation a local trust is carrying out on the surgeon, Mr Dixon. I understand that one of the allegations it is looking into is that girls as young as 17 and 18 have had rectopexy.

Karin Smyth (Bristol South) (Lab): On that point and the case that is being investigated in Bristol, I understand from my constituent that NHS England will set up 17 regional teams to look at this. Does my hon. Friend agree that that cannot be done on a local, ad hoc basis? There needs to be national co-ordination on this.

Emma Hardy: I absolutely agree with that. That hospital would neither confirm nor deny that those young girls had been operated on. For background information, all the colorectal surgeons who the programme spoke to said that the young women should have been offered other avenues before surgery. The programme also highlighted the extremely concerning practice of one surgeon attaching part of the rectal mesh to the soft tissue on the wall of the vagina. The shocking reason for subjecting women to this was explained by one consultant, who stated that if the rectopexy mesh is

[Emma Hardy]

fitted in that way, the surgeon can charge for vaginal repairs as well as for fitting the mesh. Some of the patients being operated on were not aware of where the mesh was being attached, which raises serious questions about the warnings patients are given.

We must remember that it is not only women affected by this issue; men and women are suffering from chronic pain after having mesh surgery for hernias, using the same material—usually polypropylene plastic—used in vaginal mesh surgery. Research shows that between 10% and 15% of people who have had hernia mesh surgery suffer from chronic pain and complications after surgery. However, as with vaginal mesh surgery, not enough information is available to understand the extent of the risks of surgery.

Thankfully, there are organisations that help those affected to tell their stories. The Sling the Mesh campaign has done an incredible job in highlighting the problems, but there must be a wider effort from the Government to inform members of the public that this is an issue and to encourage them to speak out if they experience problems. Thousands of people have had the procedure over the past two decades without knowing what would happen if their body rejected the plastic mesh or if the mesh harmed their internal organs, leading to many people wanting the mesh removed. However, mesh removal is not a simple solution.

Sue Hayman (Workington) (Lab): My constituent Alison had a mesh put in too tight. She was in appalling pain and had to travel all the way from Cumbria to Manchester to get treatment. Now she has had it partially removed, she is in a worse state than ever and has to go back to Manchester again. Does my hon. Friend agree that something has to be done to help people with removal?

Emma Hardy: I absolutely and completely agree. One consultant has written to explain the problems with mesh removal, stating:

“Once stuck the mesh is never fully removed and failure of implanting means that mesh will fuse, erode, stick and adhere to organs, nerves and blood vessels—creating life long...injuries.”

She argues that patients were never clearly told of the risks of mesh fused to organs. She stated further that the

“mesh weave that is stuck will become a perfect breeding ground for bacteria”,

and unless it is completely removed, the patient will remain continually infected and fatigued forever.

Simon Hoare (North Dorset) (Con): I apologise, Mr Owen, for arriving a little late. I know that the hon. Lady is talking about consultant surgeons, but does she agree with my constituent, Karen, who has corresponded with me to say that there is also a lack of awareness among the general practice community? The procedures are taking place and are deemed to be a success, but these other problems then present themselves and GPs are just not aware of the causal link and how to diagnose it.

Emma Hardy: Absolutely; I will talk about that later. One of the women who wrote to me this week explained that her surgeon was worried about trying to remove a

small piece of mesh from the heart of her vital organs, near her bowel and bladder, which he could not actually see by visual examination, ultrasound or X-ray. She explained that, since having the mesh fitted five and a half years ago, it has prevented her body from healing, causing ongoing problems ever since.

This is not an effort to scaremonger. For most, the surgery is successful, but we have estimates from the Medicines and Healthcare Products Regulatory Agency that about 1% to 3% of women suffer complications. A recent report in the scientific journal *Nature* showed evidence of about 10% of women suffering complications after surgery, and another research study estimates that the figure could be 15% to 20% or even higher.

Brendan O'Hara (Argyll and Bute) (SNP): I thank the hon. Lady for calling this incredibly important debate. My constituent Nancy contacted me recently. She had a mesh implant fitted seven years ago, and her life and that of her family have been turned upside down. She is in constant, crippling pain. She needs tramadol, and when the tramadol has not worked, she has been in hospital for four days on morphine. Does the hon. Lady agree that this devastation for women and their families is absolutely intolerable and must never be allowed to happen again?

Emma Hardy: I completely agree. Sadly, that example is reflected across the whole UK. The Department of Health says that in the past 10 years 136,000 women in England were treated with mesh implants for urinary incontinence and organ prolapse, but it is only recently that NHS England has brought in guidelines that require surgeons to inform patients of the possible risks, and even now we do not have accurate information about just how many women are suffering complications after mesh implants. We know that mesh is the subject of international scrutiny, with legal cases in countries around the world, including Australia, Belgium, Canada, Israel, Italy, the Netherlands, the USA and Venezuela.

Jo Stevens (Cardiff Central) (Lab): Many mesh implants have been fitted at private hospitals rather than NHS hospitals, and we know from the recent case of convicted breast surgeon Ian Paterson that in those circumstances private hospitals deny liability for private surgeons carrying out operations on their premises. Does my hon. Friend agree that that loophole, allowing private healthcare companies to operate under different rules from the NHS, should be looked into and amended?

Emma Hardy: We should be looking into that. I thank my hon. Friend for making that excellent point.

Recently in America, a woman was awarded damages of \$57 million in relation to mesh implant surgery, and more than 800 women are currently taking legal action in the UK. Yet so far the Government have sat on the fence on this issue, acknowledging in answers to parliamentary questions from the hon. Member for East Renfrewshire (Paul Masterton) and my hon. Friends the Members for Bristol South (Karin Smyth) and for Ellesmere Port and Neston (Justin Madders) that it is a problem, but completely failing to create a robust system to ensure that all complications are accurately recorded.

The surgeon Robert Bendavid has argued for longer studies on the women who have had mesh fitted, because in short-term studies the data are not capturing the level of risk. Many of the women who have written to Sling

the Mesh have reported difficulties three years after having the mesh fitted. The Department does not even have accurate data to show just how many mesh removals have taken place as a result of surgery complications. We must have a proper framework for building an evidence base to determine exactly how widespread this problem is.

The guidelines from the National Institute for Health and Care Excellence do not provide any information on mesh-removal surgery procedures. I accept the argument for clinical freedom for surgeons and that there are difficulties in testing objects that go into our bodies, but that makes the case for thorough and effective follow-up even more important. There is an ethical duty for surgeons to write and record where there have been complications, so will the Minister commit today to ensuring that all mesh procedures are properly recorded? Will she commit to the mandatory reporting of all complications, and will she commit to raising awareness of this condition?

Raising awareness is not just about raising awareness among the general public. Women are telling us that they are going back to their doctors and surgeons after surgery and being met with blank faces when they describe the complications that they are experiencing. It seems that without adequate research and awareness of the risks of mesh surgery, patients are not receiving the support and aftercare that they need. Although we welcome the resource guide that has been developed to provide GPs with more information about the risks of transvaginal mesh implants, more must be done to encourage dialogue on this issue between GPs and their patients.

Building an evidence base is not the only issue. Many people, most notably the Sling the Mesh campaign, have raised concerns about the fact that previous reviews, especially in England, of surgical mesh have focused solely on the procedural failures of mesh surgery and not looked into the safety of the product itself. That is in line with the findings of a report issued by the EU's Scientific Committee on Emerging and Newly Identified Health Risks, which said that when assessing the risk associated with mesh application, it is important to consider the overall surface area of material used, the product design and the properties of the material used.

I completely agree with my hon. Friend the Member for Pontypridd (Owen Smith), the chair of the all-party parliamentary group on surgical mesh implants—he was of great help to me in preparing this speech—when he says that the fact that many companies have already taken their mesh product off the market should tell us that something is not right with these devices. We have to go to the core of the issue and investigate the fundamental safety of the products. Will the Minister commit to doing all she can to ensure that any future reviews of mesh products look at product safety as well as procedural issues?

Jeremy Lefroy (Stafford) (Con): I congratulate the hon. Lady on securing the debate. Does she agree that the Health and Social Care (Safety and Quality) Act 2015—legislation passed by this House two years ago—is relevant? It says:

“The Secretary of State must by regulations impose requirements that the Secretary of State considers necessary to secure that services provided in the carrying on of regulated activities cause no avoidable harm to the persons for whom the services are provided.”

Emma Hardy: I absolutely agree and thank the hon. Gentleman for raising that.

Currently in the UK, there are about 100 types of vaginal mesh implants. Carl Heneghan, professor of evidence-based medicine at the University of Oxford, has raised concerns about the evidence that mesh manufacturers need to provide before their products are approved and made available on the NHS. It is extremely worrying that the Pelvic Floor Society, which is associated with the surgeon Mr Dixon and was set up as a world expert group, is partly sponsored by mesh manufacturers. The BBC spoke to the Pelvic Floor Society on camera during the “Inside Out West” documentary and was told that it had discovered complications only in 2014. However, minutes of a joint meeting of the southern, midland and northern groups of the Pelvic Floor Society in October 2012 say:

“We need to ensure that all individuals are appropriately consented for the risks of mesh placement; Long term Shrinkage, Mesh erosion, Mesh failure. We need to have a prospective registry for”

laparoscopic ventral mesh. Why, if the industry knew about these problems in 2012, are they only coming to light now? That is further proof that the Government must do something about this.

One thing that could be done is to follow the recommendations of the all-party parliamentary group and bring forward publication of the NICE guidelines on mesh for stress-related urinary incontinence. Currently, NICE says that it plans to publish revised guidelines in 2019, but we think that is too long to wait. We want NICE to urgently prioritise them. Mesh as a first-line treatment for incontinence and prolapse should be suspended until the NICE guidelines are revisited.

In May this year, the Scottish Cabinet Secretary for Health and Sport, Shona Robison, confirmed that the Scottish Government had suspended the treatment for people with pelvic organ prolapse. Until we have a proper understanding of just how many women are suffering from mesh injury, we think the surgery should be suspended, but in all cases, not just for pelvic organ prolapse.

Professor Carl Heneghan says that some of the devices used in mesh treatment have not been clinically tested or trialled and that the number of people affected by mesh injury means that this could be one of the biggest medical scandals of our time. Suzy Elneil, consultant urologist at University College London, has also warned about the number of women affected by mesh injury. She is one of the few qualified surgeons in the UK who can remove mesh once it has been fitted and she tells me that she sees about 15 women a week who are suffering following mesh surgery. Consultant gynaecologist Dr Wael Agur from the University of Glasgow was once an advocate of mesh surgery, but has changed his mind since seeing at first hand the evidence of mesh risks. He agrees that there is significant under-reporting of mesh complications and says that, as a result, the MHRA has only a fraction of the knowledge of adverse events associated with mesh.

Victoria Atkins (Louth and Horncastle) (Con): I apologise for arriving late to the debate, Mr Owen. I congratulate the hon. Lady on holding this important debate. The point that she makes about long-term complications is just as important as that about the

[Victoria Atkins]

short-term complications. My constituent developed fibromyalgia as a result of the complications arising from her mesh surgery for stress urinary incontinence. Does the hon. Lady agree that long-term conditions such as that must be taken into account?

Emma Hardy: Absolutely. Studies need to go far beyond the two years.

I am delighted that Labour has called for a public inquiry into the use of mesh. As my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) rightly said, it is extremely worrying that mesh surgery has been introduced so widely, with so little evidence and with limited trials to support it.

I call on the Government to do four things. First, they must commit to a full retrospective and mandatory audit of all interventions that involved mesh, followed by a full public inquiry. Secondly, they must suspend prolapse and incontinence mesh operations while the audit is being carried out. Thirdly, they must bring the NICE guidelines for mesh in stress-related urinary incontinence forward from 2019 to 2018. Fourthly, they must raise awareness among the general public and GPs.

Mesh implants have affected thousands of people all over the country. For some, the consequences of operations will be life-changing and devastating. A Government commitment to taking these actions will not undo the suffering and pain that these people have endured, but would go a long way to making sure that nothing like this happens again.

Several hon. Members *rose—*

Albert Owen (in the Chair): Order. I must now impose a time limit of four minutes for each speech.

9.50 am

Paul Masterton (East Renfrewshire) (Con): It is an honour to serve under your chairmanship, Mr Owen. As co-chair of the all-party group, I am delighted to speak in this debate; I thank the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) for securing it.

As MP for a Scottish constituency, I will focus on the situation in Scotland, where the devastating effects of mesh surgery were first brought to our attention by the campaign group Scottish Mesh Survivors, which is made up of women and their families whose lives have been ruined by the procedure. The group is led by my constituent, Elaine Holmes, who brought the issue to the Scottish Parliament's Public Petitions Committee in May 2014. Through the group's efforts, a request to suspend the surgery was announced by the then Scottish Cabinet Secretary for Health and an independent review group was established.

Scotland had an opportunity to lead the way, but, to my deepest regret, it has lost the initiative. The independent review group's final report, which was published in March this year, has rightly been termed a whitewash. It refused to recommend a ban on transvaginal mesh implants; an entire chapter with key evidence highlighting the dangers of mesh was omitted; recommendations

were weighted in favour of mesh, at the expense of safer non-mesh alternatives; and the review group's chair was replaced late in the process. Patient representatives were excluded from meetings over 10 months and ultimately resigned from the review group, alongside a consultant physician, branding the report "not in our name".

Disappointingly, the Scottish Government elected to accept the review group's recommendations in full. As a result, Scottish Mesh Survivors has been forced to go back to the drawing board and is once again pursuing justice through the Scottish Parliament's Public Petitions Committee.

One of the most common arguments against reclassification is that the evidence to support such a move is not there. I disagree. I stand shoulder to shoulder with women like Elaine and the numerous other mesh-injured women who have rightly proclaimed, "We are the evidence,"; with women like Lorna Farrell, another constituent who has suffered devastating injuries from the procedure; with women like Leslie McGlinchey, a mum of two who was not even 30 when she had the operation and now spends a huge amount of time in a wheelchair. Leslie frequently has to explain to her two little girls why mummy keeps falling over. She was told that a 20-minute operation would change her life. Well, they weren't wrong. Women who have lost their careers, their husbands, their homes, their dignity and their lives; who are forced to spend day after day and night after night in agony; who are left with little option but to make use of wheelchairs and walking aids just to get by—they are the evidence.

It is increasingly clear that when women are fully informed of the potentially life-altering consequences of mesh surgery, they reject the procedure outright. Dr Wael Agur, the consultant physician who resigned from the independent review group, spoke at a recent petition hearing on the subject in the Scottish Parliament. He informed the meeting that, out of 22 women who had made use of his health board's shared decision-making tool to assess whether mesh was right for them, only one indicated that she was in favour of the procedure, and it was later discovered that she had not read the leaflet properly.

The Scottish Conservatives, led on this issue by my colleague Jackson Carlaw MSP, have been at the forefront of the debate in Scotland since the scandal first erupted, working closely with Scottish Labour, which is led on the issue by Neil Findlay MSP. We have stood firmly behind the women whose lives have been devastated by mesh. I urge party colleagues south of the border to be alive to the issue, to act now while they have the opportunity, and—please—to suspend this procedure. If they are not convinced that there is enough evidence, they should suspend the procedure while they gather the evidence.

Mesh is rapidly becoming one of the great global health scandals. I implore all hon. Members to do what we can to protect women from this potentially devastating procedure and to ensure that our nation becomes an example to others of how to achieve justice for all those who have been broken by mesh.

9.54 am

Owen Smith (Pontypridd) (Lab): This is an important debate for me and for so many hon. Members because of what our constituents are telling us. I pay tribute to

my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) for giving voice, with great eloquence and passion, to an issue that so many of us feel strongly about. We have wanted a debate in this House for a long time, and I am pleased that she secured it.

My hon. Friend spoke for the women, many of whom are in the Gallery watching the debate, who want and need us to amplify their voice. One of the most heart-rending things for them has been the sense that they have not been listened to and their voice has not been heard. Our job is to listen and to be as brave as them by speaking in this debate and amplifying their voice. This topic has not had the coverage that it deserves, because it is complex, clinical and disputed. It is difficult to see a way through the clinical evidence and feel that we, as non-clinicians, can make sensible remarks without scaremongering, but we need to be brave and engage intellectually to try to understand it.

In truth, the story is quite simple. Since 2000, these products have been diligently marketed by the devices industry as a quick fix—an easy solution to stress-related incontinence or other problems for young women who want to maintain active lifestyles post-childbirth by doing exercise and other ordinary things that we take for granted. The products, which had not been widely used by the clinical world, became used all over the world. Approximately 130,000 women in the UK have had devices implanted.

The regulators and the clinical guidelines said that the risk was between 1% and 3%. However, behind those statistics, the reality has emerged that for a significant number of women—not the majority, but a significant minority—the devices have resulted in chronic, life-changing adverse effects such as sexual dysfunction, loss of mobility, and inability to work. Those effects ought to be taken seriously by us and by the medical fraternity. Instead, they have been dismissed and, worse still, women have been patronised by being told that their problems were unique, which is not the case.

There are questions to address, and the Minister needs to come up with some answers—I know that she is engaging seriously with this debate. If a medicine marketed to deal with incontinence led in one out of 10 cases to sexual dysfunction or the inability to walk or work, it would not be on the market. Surely she agrees that that is how we need to look at it. In Health questions last week, I think she said that the NICE guidelines are expected in 2018—next year. That is not what NICE is saying. Will she clarify whether the guidelines are coming forward to next year, as she implied? I am not sure whether she simply misspoke.

Finally, will the Minister ensure that, as the Government's representative, she listens to the women who have been mis-sold these devices and lied to about the relative risk? They now feel that they are being listened to at last, but they need their Government to listen and to take action. Guidelines should be brought forward and mesh should be suspended until we know what the real risks are.

9.58 am

Derek Thomas (St Ives) (Con): I commend the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) for securing this vital debate.

I knew nothing about surgical mesh until I was elected in 2015. Since then, women who have written to me or sat opposite me in my surgery have introduced me to their experience: a world of untold suffering, misery, distress and anxiety, which could and should have been avoided. I can add little to the debate other than to describe the experience of ladies in west Cornwall. A constituent in Helston writes:

“Before mesh, I was a vibrant and active woman, positively contributing to my community and society. Mesh has ruined my life with devastating life-altering consequences. Life is now marked by overwhelming daily challenges to my physical, psychological, social, occupational, and financial health and wellbeing. I am unable to work which adds to the financial stress. I am primarily housebound and not able to participate in the lives of family and friends, which I find most heartbreaking. I have three beautiful granddaughters...who live in...Germany. It has been a year since I have been able to visit and look into their curiously beautiful eyes.

I have a Masters Degree in Psychology which has helped me to cope with the devastating life-altering limitations and overwhelming daily challenges of living with significant mesh complications. The pain, discouragement, depression and anxiety is overwhelming every day, and excruciating on others, which is why I have also sought the support of occupational therapists, health psychologists and mental health professionals.”

Another constituent of mine states that the Food and Drug Administration in the USA has issued strict guidelines for mesh use and that in the USA a warning is given to patients about the potential dangers. She had a mesh implant to correct a pelvic prolapse and was told by her doctor that her quality of life would be significantly better, but it has not been. Her retirement has been ruined. She used to walk miles every day with her dogs but now struggles to walk due to pain and feels she might have to go into a wheelchair, as even the shortest walk around the house causes excruciating pain.

More recently, a lady came to see me in my surgery and talked about her experience. She had undergone an operation where a surgical mesh was used. After complications, she underwent a second procedure, during which the mesh was accidentally compromised, and she now suffers recurrent uterine prolapse. The surgeon has written to her, explaining the damage caused during the surgery, and has stressed the need for urgent further intervention, but she has been told that she cannot have surgery until May 2018. Until my intervention, she did not expect to hear back from the hospital until December at the earliest.

Further stories have emerged, including that of a constituent whose mesh eroded through her bladder and vagina. The mesh had been inserted in 2008 for stress urinary incontinence. At the time her complications emerged, there were only two surgeons in England who specialised in removing such mesh. One was in Oxford and one in London, both of which are a long way from west Cornwall.

Finally, another constituent of mine had transobturator tape, or TVTO, inserted five years ago to treat stress urinary incontinence. The device immediately caused her pelvic pain. Within six months, she suffered complete saddle anaesthesia with associated bladder, bowel and sexual dysfunction. The mesh was removed after two years but my constituent's chronic pain continues, due to nerve damage.

For those ladies, little can be done to put right years of discomfort, distress and indignity. What they want is for the Department of Health to allow the use of mesh

[Derek Thomas]

only in the most serious of cases, where no other option is available. A husband of a patient whose suffering continues following her surgical mesh implant writes:

“Our ultimate desire and goal is to see a complete ban on surgical mesh procedures so other women need not suffer the same appalling life-altering complications.”

I pay tribute to my constituents who have lived with this harm and who are willing to face up to the indignity of talking about their experiences, so that others do not suffer a repeat.

10.2 am

Jim Shannon (Strangford) (DUP): First, I congratulate the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) on bringing a major issue to the fore. I say “major”, not because there are necessarily millions of people involved—the final number of women who have been affected is not yet known—but because the impact that this issue has had on the lives of the people who have been affected by it is major and heart-breaking, and it deserves attention and action from this place.

I have received a large number of emails from Northern Irish people outlining their horrific experiences and some of the ladies affected are in the Gallery today. It would seem that in an attempt to access a cheaper form of surgery, we are putting some people at risk of horrific complications. It is clear that this surgery must be used only after the full extent of the dangers is outlined and fully understood by women, and once they accept that this option comes with a massive warning.

One of my constituents contacted me about this issue. She has not worked for two years and she will have an operation very shortly. In the short time that I have in which to speak, I will say that another woman—she is not from my constituency, but from the constituency of my party leader—contacted me and outlined her case. Her experiences are clearly similar to those of other women who have been affected:

“Listed are just a few of what I have and am still enduring since the surgeon inserted this foreign object into my body: Constant agonising pain, as if I was being cut inside... Inability to bend over without crying out in agonising pain... Constant urine and bladder infections... Inability to carry out my duties associated with my occupation... Inability to enjoy any social life whatsoever”. She is also unable to have intimate relations with her husband, which she says has been “detrimental to my marriage”. She is also suffering:

“Depression and extreme low self esteem... Sweating profusely... Inability to walk or exercise due to chronic pain and fatigue... Severe agonising pain passing urine... Visits to A&E with agonising pains in my groin, legs and pelvic area... Visits to out of hours doctors and many visits to my GP practice”.

She says she has had:

“Regular phone calls and visits to the continence nurses to find my bladder was not emptying properly and each time told my urine sample showed up infection and blood. My family as a unit have been affected also, as they too feel my stress and pressure that I have and am under due to no one helping or believing me.”

This is a lady who is wearing what amounts to—I say this with respect—adult nappies, and I for one am not prepared to ignore her story.

There are some 250 members of the Meshed Up Northern Ireland support group and their pleas are very clear. There are no options in Northern Ireland for

the surgery that is necessary. All those ladies who have had mesh implants must come across the water for surgery. Some have had operations; some are about to have an operation.

My party is very concerned about that situation and, for the record, we are asking for the best possible information, including better data for women considering this procedure; an improved and more holistic approach to caring for these women; updating of clinical guidance and standards; increased awareness among GPs of post-operative problems, with better access to follow-up clinical expertise for those women with problems; and a more complete picture of the level and seriousness of the complications. There must be standardised information for patients and a more consistent consent process, so that when women are asked about these operations they understand what they mean and the implications, because they have not been told—at least my constituents were never told—about the implications and had no idea what the operation meant. We are asking for specialist centres with multidisciplinary teams to advise on and treat complications and post-operative problems; a minimum workload of cases for surgeons carrying out relevant procedures; and further ongoing research into mesh procedures and adverse effects.

All those things would be best considered within an inquiry. That is what I am asking for today, that is what my constituents are asking for, and that is what all the sufferers from this problem in Northern Ireland are asking for.

10.6 am

Mims Davies (Eastleigh) (Con): I sincerely congratulate the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing this debate, and it is a pleasure to serve under your chairmanship, Mr Owen.

I, too, have applied for debates on this subject in the House, so this debate is welcomed by all parties. Like other colleagues, I am pleased that this issue is being discussed so openly, and it is absolutely vital that Ministers listen to the UK-wide concerns that are being raised. I have heard from Eastleigh constituents who have shared simply horrific accounts of the long-term difficulties that they have experienced as a result of having had a mesh implant, so I am very pleased to contribute to this debate.

I was also contacted via Facebook by a long-term friend who wanted to tell me her story after having her third child, and to link me into the Sling the Mesh group, which, as we know, is an ever-growing group, with more than 3,500 women involved with it. After an operation three weeks earlier, my friend had to self-catheterise. It was simply hideous. She said:

“It would seem that health professionals do not want to quite hear the truth or tell the truth about the complications of mesh or the TVTO surgery”.

which she had had. She felt that because the condition was so embarrassing, it was just being under-reported.

After a woman has had a baby, especially her first, she always listens to the professionals. Pain and suffering after a birth are not unusual, but two or three years after giving birth many women are in pain, with incontinence, with an impact on family life, with no sex life, and with no opportunity to play sport or to enjoy time with their children down at the park, or to enjoy time as a family and have time with their partner. Too

many women are simply being ignored, post-pregnancy and through the long-term impact, as we have heard. GPs seemingly do not have a full understanding of this matter.

Let us be in no doubt: in some cases, but not the majority, this option is perhaps appropriate for women, but it must be carried out by trained surgeons. However, one more woman suffering in the way that many of our constituents have suffered is one woman too many. We have heard such stories today. So today I urge us to look at all those women who have been so dramatically affected by the long-term impact of trusting the advice of their surgeon. We must make sure that if anyone has a mesh implant put in, they really understand the impact.

I will give one further example that I have been informed about, which is the case of a lady in my local area who had surgical mesh implanted five years ago. Further treatment is ongoing; she has had multiple complications and operations. Her case has also been raised with me by her father, who has spelled out the heartbreak of seeing his daughter in so much pain.

I call on the Minister to ask the Medicines and Healthcare Products Regulatory Agency to work further with the mesh working group to ensure that all those who use mesh know that it is the right treatment for them and fully understand all the issues and concerns that exist about mesh. Nobody should come away from this debate unaware of the warnings and complications. There is no doubt that if someone is suffering, mesh could be a good option for them. However, professionals should ensure that it is the right course for them.

I finish by strongly urging the Minister to act on this worrying, UK-wide concern. Let us not be afraid to end the suffering and let us be prepared to make sure that no further harm is caused by this issue. We should also be bold, because women's health matters and family lives are simply being blighted.

10.10 am

Carolyn Harris (Swansea East) (Lab): It is a pleasure to serve under your excellent chairmanship, Mr Owen. I congratulate my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing this important debate. I pay tribute to my hon. Friend the Member for Pontypridd (Owen Smith) for taking the lead on this important issue and for establishing the all-party parliamentary group on surgical mesh implants, of which I am proud to be an officer.

When one in 15 women fitted with the most common type of mesh will require surgery to extract it, it is clear that the issue needs to be addressed nationally. The figures are staggering and the situation is like Russian roulette. Mesh is resulting in women being unable to walk, go to work, go about their everyday lives or enjoy a fulfilling sex life. More than 800 women in the UK are taking legal action against the manufacturers of the product, so it is clear that the problem is not just going to go away.

The NHS tells us that insufficient reporting and under-published data are contributing to the problem. A basic requirement should be a register of women who have had the implants, so that we can truly assess the potential impact. Regulators around the world have been demanding more testing to ensure that the mesh is

as effective for treating prolapses as it is for other conditions. We cannot just sit on the fence; the problem is ongoing. We cannot just sit around waiting for the guidance to be published, whether that is next year or not. With so many people affected, there must be an immediate inquiry. We cannot wait—too many women are experiencing severe pain and discomfort because of these products. Now is the time for the Government to carry out a full audit, establish a register and look to find a way to eliminate the damage and destruction to women's lives that the mesh has caused. Now is the time to sling the mesh.

10.12 am

Dr Sarah Wollaston (Totnes) (Con): I congratulate the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing this important debate. In the brief time available, I would like to touch on the issues of how we allowed this situation to continue to for so long, consent, clinical quality and governance, including in the private sector, and what we should be doing going forward.

First, I pay tribute to the many women who have been courageous in coming forward and discussing intensely painful and personal experiences, not only with myself but with other Members. I would like to quote one, who said:

"I am in so much pain at times that I just give up on the day... The pain never goes, it just varies in intensity."

We have heard numerous examples of how these devices are deeply impacting on people's lives with life-changing symptoms. In many cases, those symptoms were not life-changing before the procedure. Many women have delayed symptoms or were unaware that they had these devices inserted in the first place. Women have told me that they did not consent to these devices being inserted and were not informed of the risks. A fundamental principle of consent is that unless the consent is informed, it is not consent at all.

It is very difficult for women to be properly advised of the complications when we have such poor data, and that goes to the heart of the scandal. The clinical trials of these products were inadequate. We know now that variations in the type of mesh lead to a greater or lesser risk of complications in the first place, yet these products were varied and introduced and marketed aggressively without adequate clinical trials, and that is why there has been such a long delay before action has finally been taken. I hope the Minister will address that in her remarks, because if clinical trials are not a fundamental condition for the introduction of new devices, we will see this situation with other devices.

Another concern is the way that such procedures are used. We saw variation in the techniques with which these devices were introduced. We must have an absolute guarantee that there will be proper clinical trials, just as we would expect for the introduction of medicines.

Chris Ruane (Vale of Clwyd) (Lab): Does the hon. Lady agree that if the companies failed to introduce proper clinical trials at the outset, they should now be queueing up to ask these women to come forward so that they can look at the specific cases where the devices have failed? They should be begging these women to come forward.

Dr Wollaston: The hon. Gentleman raises an important point, but many women were not even informed that they had the devices in the first place. Other Members have touched on the fact that because the complications can be late in arising and because of the inadequacy of recording, it is very difficult for women to come forward.

In the brief time available, I would like to mention the yellow card scheme—I will add links on my social media later—which enables women to self-report complications. However, if someone does not know they have had the device fitted they will not report those complications. There is work to raise awareness among GPs of the possibility that symptoms that women present with are related to mesh, to ensure that those women are referred. I welcome the specialist centres that have been set up to treat women who have been so adversely affected by mesh, but if mesh is inserted in the first place, it should absolutely be done in specialist centres.

I do not agree that we should ban mesh, because for some women the symptoms of stress urinary incontinence or prolapse can be life-altering. We should retain it as an option where alternative procedures may create worse outcomes or worse complications, but there must be adequate consultation with women about the risks so that they can weigh them up. I agree with Members who have said they hope that NICE can prioritise the development of more detailed guidance, so that we may have it as soon as possible.

A fundamental absence of data is at the heart of the issue. There has been cavalier practice, and we cannot allow that to continue. The women who have been affected deserve an apology and recognition of the extent of the problem and the delays in recognising and dealing with it. I welcome the findings of the mesh oversight group report, which describes pragmatic and practical recommendations, but clear failings have been allowed to continue for so long. At the heart of those failings is the inadequacy of clinical trials, recording and consent. Finally, we know that the devices are regulated by the European Union. I hope the Minister will comment on how the Government propose to take this issue forward after we leave the European Union. At the heart of it is the need to ensure that the safety of women is prioritised at all times.

Albert Owen (in the Chair): I thank the Chair of the Health Committee.

10.17 am

Jo Platt (Leigh) (Lab/Co-op): First, I congratulate my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing this important debate. I also pay tribute to the incredible work of my hon. Friend the Member for Pontypridd (Owen Smith), whose campaign has ensured that those women affected by mesh implants have a voice and are being listened to. They may receive some reassurance from the fact that we are debating the issue today.

I have a constituent who is suffering from the consequences of a failed mesh implant. She met me recently and explained the debilitating and life-changing effects it is having on her quality of life. She told me of her experiences of the failed procedure, which left her barely able to walk, and bedridden for three months. She spoke of the pressure that put on her family,

with her children left to care for her and her husband unable to work overtime due to childcare commitments. It has prevented her children from having friends over, stopped family holidays and left her disconnected from her community, being unable to walk or drive without excruciating pain. The financial burden and personal impact on her family has been immense. She described the effect on her mental health. She has uncontrollable mood swings, angry outbursts and frustration at not being able to care for her young family. She now faces many more procedures and many more months of pain before she can even dare to think about her future.

There are many more women like my constituent, as we have heard today, and I pay tribute to the bravery of these women who have come forward to demand that they be heard and that their stories are told and acted upon; but these are the women we know about. Alarming, many are not aware that post-operative issues may be a direct result of the implants. The worrying narrative emerging is that many women who have had the implants and have since experienced problems are only now finding out about the complications that mesh can cause. Women who have had the procedure should be contacted directly and made aware of the issues we are debating here today.

Women who have suffered such debilitating effects deserve a full inquiry to determine how it could have happened and what steps will be taken to ensure such a situation never happens again. I therefore agree with the APPG's recommendation to suspend the procedures pending a NICE guideline review to protect the health and wellbeing of more women.

I hope this debate will ensure that the Government listen to the women affected by the implants. I hope they will confirm their commitment to investigate the situation fully and take urgent action to prevent other women going through some of the horrific ordeals we have heard about today.

10.20 am

Alec Shelbrooke (Elmet and Rothwell) (Con): I pay tribute to the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) for securing this debate. I did not know about the subject until a constituent came to see me on Friday. The stories in the Chamber today from all parts of the realm—from Northern Ireland, Wales, Scotland and England—with every Member of Parliament telling a similar tale, show that this is the tip of the iceberg and that there are many hundreds, if not thousands, of women out there who could be struggling. Of course, they may not know yet that they will have a problem, because we do not have the data.

My constituent who came to see me is incredibly brave. She could not make herself at all comfortable during my surgery, but leant forward with her hands on the table. She could not sit, could not stand straight and could not bend over. As the consultation went on, she was sweating more and more with pain. It is all very well having sweeping statements about ruined sex lives and constant pain, but what does that mean? My constituent, who is only 47 years old, was more concerned about my embarrassment as she told me her story than she was about herself. A lot of women do not want to embarrass us, but we are the postmen for relaying stories back to Government.

My constituent said that during sex four years after the operation her husband ended up with a cut and bleeding penis. Further surgery has taken place and intercourse is now completely impossible. This lady had had a loving and physical relationship with her husband, and after further surgery now has no sexual stimulation at all. Indeed, she told me that any clitoral stimulation had immediately become a huge abdominal pain. She has also been diagnosed with a low level of infection. There is a shocking statistic: research has shown that 83.6% of implants have been found to have vaginal bacteria on them. That is an important statistic because the Medical Devices Regulations 2002 state that before a medical device can be placed on the market, the manufacturer must ensure that the device meets essential requirements, which include sterility and minimising the risks of contamination.

My constituent was a physiotherapist and had led a very active life. She can now barely get through a day. She was not told about the risks of the operation. Her prolapse was not serious enough to demand such an operation, but she was told, "We can sort that out." It was not until 2013 that she was told she had a vaginal extrusion. Even then she was told by the surgeon, "Don't worry; you truly have a designer vagina now," which showed a complete lack of sympathy and understanding that is scandalous.

We are debating the issue and showing that the scandal has moved forward. I did a lot of work on the thalidomide campaign and I thought this was the next thalidomide scandal. That is how Sky News described it this morning in recognition of how serious this matter is. As my hon. Friend the Member for Totnes (Dr Wollaston) has said, there may be areas where the procedure can be used, but at a minimum the situation warrants a suspension of use at this stage, as has happened in the United States and in Scotland. My constituent is a generous woman. She said, "I don't expect you to understand this quickly, but please raise my voice today in Parliament."

Suspension and study of the data is vital; otherwise, we could be creating the biggest scandal in years in the NHS.

10.24 am

Tonia Antoniazzi (Gower) (Lab): Thank you, Mr Owen, for chairing this debate. I congratulate my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing this important Westminster Hall debate on International Menopause Day.

Women are always reluctant to speak out about the personal and intimate medical issues that they experience. Sadly, they are highlighted only when things go wrong. Two women in my constituency have spoken out about their experiences, but I urge all women who have suffered as a result of a mesh implant to get in touch with their MP, because we know there are many other cases. As we have heard, there are women suffering whom we do not know about.

Recently I met a constituent of about my age whose life has been devastated. She had a mesh fitted in December 2011 and knew immediately that something was wrong. She could hardly move her right leg. She had pain all across her lower abdomen and back and in the right side of her groin. She had infections in the operation sites and was given three lots of antibiotics. Three weeks later the consultant said that she had mesh

exposure. She was admitted on 3 February for what she thought was a removal, but it turned out to be for steroid injections, which did not alleviate the pain.

She was then sent for internal physiotherapy. I imagine that was very painful. She has also received physio on her back because of back pain. She saw numerous consultants and had many scans. Eventually, after bursting into tears during a physio session because of the pain she was in, she ended up seeing another consultant, who decided she should be admitted to remove the mesh. The operation was in August 2012 and she was pain-free for about a year after, but then it started again. She had constant pain in the groin, back, and across the lower abdomen, and she went back and forth to the doctor in the familiar scenario that we are hearing about today. It was even thought she might have bladder cancer, but all the scans were clear and still she was in constant pain.

My constituent was under the impression that the mesh had been removed, so when they were all scratching their heads and saying they did not understand why she was in pain, she was told she should try and manage it better. Understandably, she did not know where to turn. Eventually she saw a different consultant who asked her what she could feel inside, and she said it was the mesh. It turned out they had only cut the mesh in half. It was still there—no wonder she was in so much pain. Again, she went in for removal in August 2015. Unable to pass urine for three weeks, she had to self-catheterise at home.

About nine weeks later she started to feel as though she was getting on her feet again and was relatively pain-free for about a year, but it flared up again. She had another round of video urodynamics done, which was not pleasant. She was told that the corner pieces of the mesh were still there and it was too risky to remove them. After a recent flare-up with severe inflammation, she was sent for an urgent scan. Having spent the past six years in constant pain and discomfort, she does not have a partner because so much time is taken up looking after herself and her son and working.

During a visit to the consultant this year he asked what she wanted him to do. She said, "I came to be under your care because I was incontinent. I am still under your care six years later, still incontinent, and in pain as well now, so you tell me what you are going to do." We must realise these women need help. As the MP for Gower, I have talked about my constituent and the plight of mesh-injured women. Many women do not like to discuss this topic and they do not want to complain. We cannot wait until 2019 for NICE to bring out guidance. I echo the words of the shadow Minister for Public Health, my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson), by asking the Government to hold a public inquiry into the numbers of women adversely affected.

10.28 am

Jeff Smith (Manchester, Withington) (Lab): It is a pleasure to serve under your chairmanship, Mr Owen. I congratulate my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing the debate and on her powerful speech. I also congratulate my hon. Friend the Member for Pontypridd (Owen Smith) on raising the issue and on forming the APPG to

[Jeff Smith]

raise the profile of an issue that I confess I knew virtually nothing about until quite recently. I congratulate the many Members who have made powerful speeches explaining the experiences of women in their constituencies.

As I have said, I knew nothing about this issue, but its seriousness was brought home to me when a constituent came to see me. He had had an inguinal hernia repair that developed complications because of the mesh used in the procedure. It left him in agony; he described it as like having a metal plate wedged in his lower abdomen. Eventually, he had to have corrective surgery, but it did not resolve the chronic pain that he suffers. That points to one of the unique aspects of this problem, which is the difficulty of removing the mesh and correcting the initial surgery. He had the mesh removed, but he is still in constant pain. I think that is partly due to the fact that the expertise in removing mesh implants is not really there.

Alec Shelbrooke: My constituent described it as trying to remove hair from chewing gum, which shows just how utterly complicated this surgery is.

Jeff Smith: That is an important, well-made point. The failure of the procedure that my constituent went through has changed his life. He was previously a runner, cyclist and mountain-climber—a very active man. He now struggles to get around. When he came to see me, he had to stand throughout our meeting because of the pain that he is in. He is now suffering with a chronic condition as a result of the failed procedure.

My constituent has been in contact with a number of other men—and is aware of many others—who are in this difficult situation. He asked me to ask the Minister two questions. First, how many men have gone through this procedure and had it fail? Secondly, will the scope of any future NHS investigations be widened to include men as well as women? I do not want to downplay the seriousness of the issue for women, which has been clearly explained by a number of Members today, but any investigation needs to take the experience of men into account.

As it happens, my constituent underwent his procedure in a private hospital, which points to three wider issues that he asked me to raise. First, there is a lack of clarity—as we have already heard—about the roles and responsibilities within private hospitals and between hospitals, surgeons and others involved in the process. Secondly, there is no mandatory reporting of chronic pain incidents following unsuccessful operations; that clearly needs to be addressed.

Thirdly, there is a three-year limit to medical negligence claims, which has had an impact on my constituent and possibly others as well. My constituent had his operation just under three years ago, but he has been managing his agonising pain and chronic condition for the last two years and has not really been able to think about whether there is a medical negligence claim. He does not really have time now to lodge one within the three-year limit. I would be interested to hear the Minister say something on those matters.

I conclude by supporting the other points that have been made by hon. Members about the prioritisation of this issue by the National Institute for Health and Care Excellence and the need for a full public inquiry.

Albert Owen (in the Chair): I am grateful to the hon. Gentleman. I want to thank all Back-Bench Members for their co-operation with their interventions and speeches, and for taking such a serious tone on this matter. We will now hear from the Front-Bench spokespersons.

10.33 am

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Mr Owen. I will be as brief as I can, because we are all very keen to hear from the Minister.

A lot of the key points have been extremely well made by all the Members who have spoken. I particularly congratulate the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) on securing the debate and opening it for us. I also want to pay tribute to the chair of the all-party parliamentary group, the hon. Member for Pontypridd (Owen Smith), for the work that he has done.

Like many Members, the issue was brought to my attention by a constituent and the very powerful and emotional meeting held in one of the Committee Rooms before the formal founding of the APPG, where we heard testimony from a range of constituents and campaigners. Many of those testimonies have been echoed and repeated today, notably, but not exclusively, by the hon. Members for St Ives (Derek Thomas), for Gower (Tonia Antoniazzi), for Strangford (Jim Shannon), for Elmet and Rothwell (Alec Shelbrooke) and for Manchester, Withington (Jeff Smith). They are painful enough to listen to—we saw the reactions of Members in the room as we heard those testimonies—so how much more painful and traumatic it must be for people to have to live in those terrible situations.

The hon. Member for East Renfrewshire (Paul Masterton) raised the situation in Scotland, and I want to dwell on that for a moment. He must be one of the first opposition politicians—as he is in Scotland—ever to say the words, “I am disappointed that the results of the independent review were implemented in full.” Normally, Governments get criticised for not implementing the outcomes of an independent review.

In 2014, the Scottish Government requested a suspension in the use of vaginal medical mesh by the NHS in Scotland. In 2015, the Cabinet Secretary for Health apologised to women who had been left in severe pain by these operations. Since that suspension was introduced, the use of mesh has fallen dramatically. Between 2009 and 2016, the number of women receiving mesh surgery in Scotland has fallen from 2,267 to 135.

I understand from what was said by the hon. Member for Totnes (Dr Wollaston), who probably knows far more about these issues than many of us in the room, that it would be very difficult to get that figure right down to zero, because there may be occasions when the surgery is appropriate. However, it has to be under very specific conditions and absolutely with the fully informed consent of which she spoke. That comes out clearly in “The Scottish Independent Review of the Use, Safety and Efficacy of Transvaginal Mesh Implants in the Treatment of Stress Urinary Incontinence and Pelvic Organ Prolapse in Women”.

The hon. Member for East Renfrewshire is right to say that transabdominal mesh is not yet under suspension, but that remains, and should remain, under constant

review by the chief medical officer in Scotland. All the evidence that was submitted to the review are available on the website, along with the different drafts. It is important that we make it clear that the evidence has been fully published, and that the recommendations were made independently by the review and have been accepted in full by the chief medical officer in Scotland, who has been clear that the requested suspension of the use of mesh implants should remain in place until she is satisfied that the recommendations have been implemented.

An oversight group will oversee the recommendations and will be expected to put the patient at the heart of everything it does. Professor Alison Britton has been asked to examine the review process itself, to listen to and take on board some of the concerns that the hon. Gentleman raised. I would be interested to hear from the Minister what discussions she has had with colleagues in Scotland about what lessons can be learned from some of the questions that have been asked there.

The Scottish Government have no power to ban the use of mesh, because the matter remains reserved to the Westminster Parliament and, in particular, to the Medicines and Healthcare Products Regulatory Agency. The Sling the Mesh campaign, as we have heard from a number of Members, has asked for some clarity from the MHRA and a stronger, more stringent system of auditing the efficacy of mesh and other medical practices.

One of the most important things that has come through clearly in the debate is the collection and analysis of data, so that a full picture of the situation can be brought up. We have heard so many times of individual cases where people are told, "This is just you; this is an isolated case," when it very clearly is not. The evidence has to be gathered, and full investigations have to take place and continue.

There is a clear expectation that the MHRA must continue to review the use of medical mesh implants. That should include considering all available evidence and taking lessons from the use of such implants further afield, such as in the United States and Europe. That is important to ensure not only that the best healthcare options are provided, but that women can be confident that the services they have received have been shown to be effective under robust and effective clinical trials—an important point, which was stressed by the hon. Member for Totnes. One of the key things I have learned from this debate is the difference between the testing regime for medicines and the testing regime for implants and other medical devices. There is clearly a cross-party consensus on that, and I hope the APPG will continue to look at the issue.

I welcome the conclusions and recommendations of the Scottish and English reviews of the use of this procedure. We must ensure that surgical mesh implants are used only after all other appropriate alternatives have been exhausted and, crucially, only when women give their fully informed consent.

Once again, I pay tribute to the campaigners for their bravery and courage and for bringing this issue to our attention. I hope it is not a totally inappropriate comparison, but this reminds me of the Women Against State Pension Inequality campaign, during which individual, isolated cases started to snowball, and the issue got on to the agenda. That campaign for justice made progress and is now being heard loud and clear. There is a parallel with this campaign, although it is not exactly the same.

I hope the Government listen. We have to thank those campaigners for the small and belated progress that has been made. They will rightly hold us to account to ensure we make progress.

10.40 am

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Mr Owen. I thank my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) for securing this very important debate and for her excellent contribution. The Opposition fully support her four asks of the Government.

I commend all other speakers for their thoughtful and passionate contributions, and I thank their constituents who allowed their experiences to be shared with us. I especially want to thank Kath Sansom, who leads the Sling the Mesh campaign, for all her hard work in uniting the women affected by vaginal mesh implants and for raising awareness of the tragic impact that mesh implants have had on so many lives. I also thank other hon. Members who have spoken out about this issue for such a long time—in particular, my hon. Friend the Member for Pontypridd (Owen Smith), who spoke with such knowledge and passion. It was vital that he took part in this debate, and I thank him for everything he has done on the issue.

The experiences we have heard about today are incredibly distressing. I have the utmost sympathy for those suffering because of mesh implants. We are here to stand up for those women, and we seek answers and Government action on their behalf.

Let us start at the beginning, when women are told that the best course of action is to have a mesh implant. They are told that the procedure is quick and cheap, but, as we have heard, the low financial cost of the implants is far outweighed by the huge human cost to those women for the rest of their lives.

The NHS and the MHRA say that the risk of complications is low, at 1% to 3%, but a report by nine leading medics put the risk much higher, at 15%. If leading bodies and medical professionals cannot agree, how can patients be expected to make informed decisions? Health professionals are supposed to outline clearly and explicitly the risks of any operation that a patient is asked to undergo to ensure they can weigh up the risks and benefits for themselves.

As we have heard, the mesh implants are made of the same material as some drinks bottles. They can shrink, twist and curl at the edges. The material can degrade, cut through internal tissues, poke through the vaginal wall and stick to organs, causing pain, incontinence, urinary infections and a loss of sex life. Marriages have been destroyed and people have been left unable to walk, work or even to pick up their young children. Knowing those risks, how many in this Chamber would consent to a mesh implant? It is time to take women's health and wellbeing seriously. They need to be listened to. Their voices need to be heard and their concerns believed so we can put right this injustice and prevent it from going on any longer.

Since this debate was announced, I have been inundated with emails and tweets telling harrowing stories of how women have been affected by vaginal mesh implants. I am sure everyone in the Chamber has received the same

[Mrs Sharon Hodgson]

sort of emails. Just last night—very late in the day—I received an email from Sling the Mesh with an attachment containing 210 emails out of the 400 it received following the Minister's answer to my question during Health questions last week, when she said there is not enough evidence to ban the mesh. Those emails are packed with evidence, and I am very happy to pass them on to the Minister. They all detail how the implants have been life-changing, but unfortunately not for the better.

Julie has had to give up her job as a paramedic, and is now trapped in a world of pain and medication. Kath has lost her passion for mountain biking because it is now impossible to get on the bike. Suzi says that her pain consumes her every day.

Another woman, Tina, also shared her experiences. For four years, she went to her GP and accident and emergency several times with excruciating pain, and was sent from pillar to post. She was told that the pain was due to irritable bowel syndrome, painful bladder syndrome and a slipped disc, and that the mesh implant was absolutely not the problem. After four years of searching for answers, she went private and spoke to a surgeon who finally believed her pleas about her pain and partially removed the mesh. She says that her recovery has been successful and she is no longer in pain, which is excellent, but four years is such a long time to lose. We know that many, many women are unable to go private to end their trauma, but they should not have to do so.

After this debate, there is a lobby of mesh-injured women, which I encourage the Minister to attend. We will be joined by Dr Robert Bendavid, who has flown in overnight from Canada. That shows that this really is a worldwide scandal. Many countries, including our own, are just waking up to the horrors of vaginal mesh. In Australia the Senate is holding an inquiry, and in the US vaginal mesh has been considered a high-risk device for nearly a decade. As we heard, vaginal mesh has been suspended in Scotland since 2014, yet across the border the Government have rejected a ban in England and have failed to empathise with the approximately 8,000 women who have been admitted to hospital with a mesh complication. That is not surprising, considering that just 1,000 mesh admissions have been reported to the MHRA as a mesh-related issue. Surgeons are clearly reluctant to report that mesh is the issue, which lets their patients down and distresses them further.

Our next concern is what the Government are going to do to support women who have had to leave because of the effect of vaginal mesh. Most GPs do not attribute the pain to the mesh, so it is very difficult for those women to claim personal independence payments, disability living allowance or any other benefits. They have to rely on their families' finances, which is incredibly frustrating and distressing to the victims, especially those whose families are unable to support them. We must also consider the women who are suffering in silence and have not come forward yet because of the intimate nature of the issue. After hearing of the experiences of others, some women may be embarrassed or just too scared to come forward for fear of being dismissed as a hysterical woman.

At Health questions last week, the Minister said that a NICE update on vaginal mesh implants is expected at the beginning of next year—my hon. Friend the Member

for Pontypridd also mentioned that—but that is too little, too late for the approximately 200 women who will get a vaginal mesh implant on the NHS between now and then and the thousands of women who have already been affected. One of my constituents reached out to me to say that she is worried because she is due to have that surgery soon, and she asked for my advice. Obviously, we cannot give medical advice, so I told her to watch this debate and speak to a surgeon. If there is a chance that a car or an aircraft could cause harm, it would be immediately recalled while the problem was investigated. Why does the precautionary principle not also apply when the health and wellbeing of thousands of women is in jeopardy?

Last week, the Minister said there was not enough evidence to warrant asking the MHRA to reclassify these procedures, but there was so little evidence to justify beginning them in the first place. What exactly is she waiting for? Given what we have heard today, I hope she will recognise the urgent need for action on this issue and justice for those women. I hope she will take these calls back to the Department of Health and ensure that no more women are subject to the risks of vaginal mesh implants. That is why the Opposition are calling for an urgent public inquiry into the number of women adversely affected by vaginal mesh implants and into why the safety of so many women was disregarded. We urge NHS England and NICE to act immediately to update the guidance and suspend the use of vaginal mesh today. It is our duty to ensure that the failings are understood and corrected so that they never happen again. That should be a matter of urgency for the Minister and the Government, and I trust she will respond positively to these calls.

Albert Owen (in the Chair): I remind the Minister to allow the last word to the mover of the motion.

10.50 am

The Parliamentary Under-Secretary of State for Health (Jackie Doyle-Price): It is a pleasure to serve under your chairmanship, Mr Owen. I thank the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) for securing this debate and shining a light on a condition that is very distressing for far too many women. Clearly this is not where we would like to be.

Obviously, many hon. Members would like an immediate ban on mesh products. From my perspective, the issue is not with the product but with clinical practice. That is what is going wrong. That is where we need to be much clearer, ensuring that women are treated properly by their clinicians, given proper advice and risk assessments, and given the opportunity to report any complications and the ability to complain and challenge. The Government also need to ensure that all clinicians have the most up-to-date and appropriate advice.

The focus of this debate is the women who are suffering. The most important thing we can do—my priority—is to ensure that they get the support, care and treatment they need to alleviate a debilitating condition.

With regard to the evidence, we expect to produce the NICE guidelines before the end of 2017. We will bring them forward as soon as possible. I am sure that hon. Members will want to review those guidelines, to see whether they are satisfied that they have moved forward.

The advice I have received from the MHRA is that mesh is still the best product for treating stress incontinence, but the evidence regarding prolapse is more mixed. I can give that advice to hon. Members today, but we await the NICE guidelines before the end of the year.

The women are the most important aspect of this debate. We should be focusing on them. We must make sure that they are fully supported to make informed decisions about the surgery, and I have heard from many hon. Members that in many cases they were not. This is a risky process and, as my hon. Friend the Member for Totnes (Dr Wollaston), the Chair of the Health Committee, said, many women have benefited from this surgery but there is a risk to it, and those risks were not properly communicated to allow women to make an informed choice. That is not acceptable and we must make sure that does not happen in the future.

To do all of that, we are working with patients, NHS England and the MHRA, to come together with the mesh oversight group. The most recent report was published in July and its recommendations are being implemented. The updated guidelines will be published before the end of 2017. It is important that regulators ensure that advice and guidance keep up with developments in clinical technology and practice. We will constantly review evidence as it comes in to keep advice and guidance up to date.

A number of hon. Members mentioned that there have been no clinical trials for these devices, and I agree that we need to continue to draw on emerging evidence. There have been a number of research studies which have directly informed the guidelines issued by the regulators and led them to reach their conclusions, on which I have just advised the House.

It is still important that we listen to the concerns of women, and I encourage all hon. Members who speak to their constituents suffering with the consequences, to make sure that they report those complaints through the MHRA yellow card scheme, so that we can build a body of evidence about where things have gone wrong.

Alec Shelbrooke: Will the Minister make a specific inquiry to the MHRA about the evidence of bacterial infection on the product, which flies in the face of its advice that the product must have sterility in order to be implanted? There seems to be a contradiction in the MHRA's advice as to how it should be licensing products.

Jackie Doyle-Price: I hesitate to give a full answer, but the advice I have received is that over the years these products have been reviewed and there are clinical standards for the size of the mesh. I will write to my hon. Friend in more detail, because I am not an expert in that.

The hon. Member for Kingston upon Hull West and Hessle calls for a public inquiry. I think it is more important that we get the treatment that is needed, but I encourage everybody to report their cases through the yellow card scheme.

I am horrified to hear from my hon. Friend the Member for Totnes that many women did not know they were having the device fitted in the first place. That general issue indicates some arrogance of the medical profession towards women. The stories I have heard from colleagues, about how their constituents have been treated by their GPs when they have gone for treatment,

are indicative of that. Women tend to suffer in silence. Quite often that means they are not the best at championing themselves. That is clearly unacceptable. This issue has been considered by the mesh oversight group, and it has been clear that improvements are needed to ensure informed consent.

Dr Wollaston: Will the Minister assure the House that she will investigate clinical governance in the private sector as well as in the NHS, because many women tell me that this issue has affected them in the private sector?

Jackie Doyle-Price: I give my hon. Friend that assurance. To be frank, the same standards of consent and regulation apply in the private sector as in the public sector. A number of colleagues mentioned issues in the private sector, but there is no excuse; it is equally regulated by the Care Quality Commission and the General Medical Council, so the same standards apply.

Jo Stevens: On that point about the loophole between the NHS and the private sector, and the relationship and liability of private surgeons operating at private hospitals, will the Minister see whether that loophole should be closed?

Jackie Doyle-Price: I am not sure that there is a loophole. Surgeons are required to demonstrate their clinical competence as part of their regular revalidation, whether they work in the private or the public sector. Concerned patients may contact the GMC, just as they would do in an NHS trust. In addition, surgeons will be inspected by the CQC and their procedure examined to ensure that it meets standards. I cannot see that there would be any difference, but if the hon. Lady would like to bring to me a specific example, I would be delighted to look into it for her.

Clinicians working in private hospitals are under the same ethical obligations to ensure that treatment is based on consent, that complications are addressed and that information is shared with regulators as appropriate. Private hospitals are subject to CQC registration and must abide by those fundamental standards.

I am very short of time, but I suspect that we will come back to this matter, particularly after the NICE guidelines are published later this year. The most important thing we can do is make sure that the women have access to the support that they need, and that GPs know what to look for in order to give them that support, and I am always open to hearing representations from colleagues on this issue.

10.58 am

Emma Hardy: I thank everyone who has attended and spoken. I had hoped that my summary would be a little more positive. I am sorry, but the Minister's response is simply not good enough—at all. I am extremely disappointed. I completely disagree with her: it is about not only the procedure, but the product. I hope that the weight of evidence from all the women involved—all the women who have emailed, all the constituents and all the people who have contacted Sling the Mesh—will be enough to show the Minister that this is more than just procedural; this is about the product.

[Emma Hardy]

I also disagree that this is the best treatment for women with urinary incontinence, and I urge the Minister to please look again. I urge men and women around the country to send letters and explain this to the Minister, so that hopefully the weight of emails and letters coming to her doorstep will show that this needs to be looked at again.

I thank all the brave women and men who have raised this issue. I want to reassure them that I will continue to be their voice, and so will the other members of the APPG. My hon. Friend the Member for Pontypridd (Owen Smith) has campaigned tirelessly on this issue. We will not let those people down. We will keep pushing until we get a much more satisfactory response to all the problems they have been suffering.

Question put and agreed to.

Resolved,

That this House has considered the risks of surgical mesh implants.

Social Security Support for Kinship Carers

11 am

Melanie Onn (Great Grimsby) (Lab): I beg to move,

That this House has considered social security support for kinship carers.

It is a pleasure to serve under your chairmanship, Mr Owen. There are about 200,000 kinship carers in the UK, three quarters of whom live in poverty. By taking in their relatives' children they save the state tens of thousands of pounds in care costs and keep families together, often in tragic circumstances. Research suggests that children living in kinship care also have better outcomes than children fostered by non-relatives.

According to a report by the University of Bristol,

"Children in kinship care are more likely to have better mental health and behavioural outcomes due to the stability of placements and they are also more likely to preserve their identities through family and community ties."

Yet although foster carers receive extra support from the state for their efforts, kinship carers are often denied even the bare minimum. According to the Family Rights Group, the majority have to give up work completely or temporarily to look after the children they take in. As a consequence, kinship carers have been disproportionately affected by the benefit cap. They are more likely to be unfairly sanctioned, because of the lack of joined-up working in the state system. For example, their appointments at the jobcentre might be scheduled at the same time as their meetings with a social worker—if they are lucky enough to get a social worker—none of which they are allowed to miss or move.

Nick Thomas-Symonds (Torfaen) (Lab): I congratulate my hon. Friend on securing a debate on this important issue. She makes an excellent case for the needs of kinship carers. Does she agree that we need to look more generally at the extraordinary contribution that carers make every single day to our society and our economy?

Melanie Onn: My hon. Friend makes an excellent point. Indeed, this morning I was contacted by a constituent who has previously been to my office for assistance and who wanted to raise the issue of carers more generally. Her daughter had a brain injury at birth, and 24 years later she is still caring for her. She was keen to ensure that I understood the financial, social and emotional impact of taking on the responsibility of caring for another family member. We must always remember that many people around the country do excellent work in caring for their relatives, and their friends and neighbours in some instances. Too often we forget them and they are an overlooked group in our communities.

Due to reductions in funding to local councils, local authority allowances for carers have been cut. Although foster carers can receive fast-tracked support from social workers or child mental health services, kinship carers usually are left to get with on with it themselves. With regards to the support that does exist for kinship carers, a survey by the Family Rights Group and the Kinship Care Alliance found that 80% of carers do not know enough about the legal options and support that are available to them.

Chris Elmore (Ogmore) (Lab): I congratulate my hon. Friend on securing this debate. She talks about kinship carers not understanding some of the benefits available to them. One of the difficulties that kinship carers face is that often they are grandparents, who would never not take in their grandchildren. However, lots of them have retired so they are not financially ready to take on young children again. I have cases in my constituency where grandparents face having to take equity from their properties to support the grandchildren who are now, in effect, their children. Does she agree that the Government lack understanding of what kinship caring is about? There is a real lack of understanding and support, particularly for older generations of people—grandparents—who are looking after children.

Melanie Onn: Certainly, there is a huge amount of expectation on families to ensure that children are cared for in a family setting. The state should be aware of those people and the support that they deserve should be available. Too often, kinship care arrangements are informal, unofficial and under the radar. Sometimes parents are in a crisis situation, some simply cannot cope and in more extreme cases there may be death in the family, and that burden falls on the wider family circle.

Older people who perhaps have retired are caring for members of their family for a second time—in my experience, it is often not the first time that they have done so. They may have looked after their children or other family members in their time, and then face doing that again in their retirement years, which they may have been looking forward to enjoying, free from the responsibility of the school run. Children are incredibly tiring and we tend to forget too easily the burden that is placed on people.

There is a huge amount that I would like the Government to do, not least to address the points that my hon. Friends highlighted in their interventions, to recognise the enormous value of kinship carers and to provide them with the support that they need. However, I want to focus on two measures that the Chancellor could adopt in his Budget next month at very little cost that would have a huge effect on younger carers today. The Minister may already have read the recommendations in the October 2015 Family Rights Group and Kinship Care Alliance report, but if she has not, will she do so? If she feels that my two measures do not go far enough and she would like to do even more, those recommendations would be well worth a read.

In September, I raised the case of my constituent Alyssa at Prime Minister's questions. Alyssa took responsibility for raising her three younger siblings when their mother passed away four years ago. She was only 18 when she took on the care of her sisters and brother, which is an enormous responsibility for someone of such tender years who is just about to start out on their life journey themselves. She did an absolutely brilliant job, despite the numerous daunting challenges that she faced. She had to work to clear her mum's debts while looking after her family. Her eldest sister is now in her second year of university, and Alyssa has just started a family of her own with her partner, which is wonderful news.

However, because Alyssa cared for her siblings, she is being denied the Sure Start maternity grant and child tax credits. She is missing out on up to about £3,000 a

year in total. When the Government restricted the Sure Start maternity grant to a family's first child, they reasoned that families could reuse the equipment that the grant helps to purchase, such as prams, toys and clothes. I do not think that Ministers really considered that some carers take children into their care after infancy, so they never had clothes, prams or bottles to begin with.

It seems to me that Alyssa's case is an anomaly in policy—an unintended consequence of the one-child limit on Sure Start and the two-child limit on child tax credits—but she is not a one-off. Another constituent contacted me recently to say that his wife had taken on her sister's two children a few years ago after she passed away. He and his wife are now expecting their first child, and they, too, will not be entitled to tax credits for their own child. If they had already claimed tax credits for a child of their own and had later put in a claim for her nieces, that would have been accepted and all the children would have been eligible for tax credits. The Government included an exemption for kinship carers in the Welfare Reform Act 2012, but I just do not think that they realised that the exemption did not cover all cases.

Lisa from Grimsby took care of her 18-month-old nephew five years ago. He was diagnosed with global developmental delay—autism—and has an extra Y chromosome. His mother's mental health issues meant that she was unable to meet his care needs, which only increased as he got older, so Lisa and her husband eventually both gave up work to look after him. That is another example of the financial hardship that kinship carers often face. When they had a child of their own this year, they were denied the the Sure Start maternity grant. Unfortunately, it is all too tempting for Governments to take kinship carers for granted, allowing them to make enormous sacrifices and raise children who are not their own, without offering them the support they need and deserve.

It is unknown how many carers are or will be affected by these policies, because the Government do not measure that. However, a survey by the Family Rights Group suggests that 25% of kinship carers have both their birth children and kin children living with them, and about one in five—up to 40,000—carers has three or more children living with them. As the two-child and one-child limits are not applied retrospectively, a small fraction of that number will be affected by this issue.

The number will be growing every year, but we are talking about a small amount in cost terms to extend the exemptions for kinship carers to those who have children of their own after taking kin children into their care. That small cost would be of huge benefit to kinship carers, like those in my constituency who are sacrificing a massive amount to do the right thing and give children a loving home within their family.

I am calling on the Government to ensure that kinship carers are eligible for child tax credits and the Sure Start maternity grant when they have children of their own. I asked the Prime Minister about Alyssa's case on 13 September and she asked me to write to her about it. I sent her a letter that day, and I sent another letter with more information on 3 October after Alyssa's appeal for the maternity grant was rejected, but as I mentioned before, I still have not received a reply. I hope the Minister will be much more forthcoming in how she plans to deal with these anomalies in the law so that kinship carers are no longer penalised for the amazing work they do.

11.11 am

The Parliamentary Under-Secretary of State for Work and Pensions (Caroline Dinenage): It is a great pleasure to serve under your chairmanship, Mr Owen. I congratulate the hon. Member for Great Grimsby (Melanie Onn) on securing this important debate on social security support for kinship carers. She has raised a number of important issues and I am glad that she has taken the opportunity to highlight the invaluable work that kinship carers do. They truly are the unsung heroes, stepping in and offering care to children when they most need it.

Let me start by assuring the hon. Lady that the Government acknowledge the immense value of care given by kinship carers, be they family or friends looking after children whose parents are unable to provide the necessary care themselves, or non-parent carers supporting children who would otherwise be in local authority care. As she said, they save the public purse an awful lot of money; but more than that, the value of the stability and care that they give is probably immeasurable. A number of the issues she raised in passing, as well as the Family Rights Group and Kinship Care Alliance report that she referred to, cover a multitude of Departments. I will take a closer look at that report and recommend it to my colleagues from across different Departments.

I am grateful that the hon. Lady raised the specific issues of some of her constituents and others. Those individuals, through the selfless gesture that they make, play such a vital role in ensuring that children are raised in a caring family: an environment that gives them the stability they need to grow and develop. As a society, we owe them a massive debt of gratitude. In particular, she raised the story of her constituent, Alyssa, who raised three of her siblings from a very young age, and I understand that she gave up her own studies to do that. She has clearly done a remarkable job, given that one is now making her own way through university. She should be the subject of all our praise and thanks for that enormous act of self-sacrifice at such a young age—it must have been terrifying for her.

The Government work to ensure that the role of kinship carers is recognised and supported by ensuring access to the same support as parents within the benefits system in relation to child benefit, universal credit, child tax credits and other means-tested benefits. I am sure the hon. Lady will understand that the benefits administered by the Department for Work and Pensions are designed to try to suit the majority of claimants and cannot always be tailored to every individual circumstance, as that would introduce difficult and often subjective decisions into what are intended to be simple, streamlined schemes. However, I assure her that the Government recognise that there are times when the rules may not seem to have the flexibility that one would want, and this is clearly one of those times.

The hon. Lady has raised a number of important issues. This is something I will look more closely at and, as with all our policies, the Department will continue to keep the policy under review.

With regard to the Sure Start maternity grant, payment is restricted to just the one child under 16 in the family. We believe it is important to focus support where it is needed most. That is why we took that decision. The expenses related to the first child—buying all the necessary paraphernalia that come with a baby—are usually greater

than those for subsequent children. That means that kinship carers of children under the age of 16 who then have their first baby are usually not eligible for the grant for that baby. However, as the hon. Lady rightly said, the circumstances of kinship carers vary, and it is not possible to legislate for every specific circumstance. As she highlighted, sometimes children taken into kinship care are not infants and did not come with all the necessary baby bits and bobs. That is why I take on board very much what she said and am happy to look at the issues she raised to do with that specific circumstance.

The hon. Lady also raised the Government's policy to limit tax credits to two children. I would like quickly to touch on the rationale for the policy to provide support for a maximum of two children, as that might help to explain its impact on kinship carers as well as other claimants. As we know, a benefits structure that adjusts automatically to family size is not fair on families supporting themselves solely through work, who do not usually see their incomes rise when they have more children. We know that households need to think carefully about whether they are financially prepared to support an additional child without relying on income-related benefits. The Government's view is that providing support to a maximum of two children or qualifying young persons in universal credit and child tax credit will ensure fairness between claimants on the one hand and, on the other, those taxpayers who support themselves solely through work. We believe that all children should be treated equally, and the decision to have more children should be taken based on whether the claimant can afford to support additional children.

However, I must stress that the Government recognise that some parents and carers are not able to make choices about the number of children in their family, and kinship carers often step up to the plate unexpectedly. That is why we have developed a number of exceptions for third and subsequent children to the maximum support on entitlement. One of those exceptions applies to parents who already have two children in their household and make the selfless decision to take on the responsibility of kinship care for children who would otherwise be at risk of entering the care system.

Claimants will still be entitled to an additional amount for any disabled children, regardless of the total number of children in the household. It is also worth noting that tax-free childcare is available to households where all parents are earning at least the equivalent of 16 hours at the national minimum wage per week. Households can receive support for any number of eligible children from age zero to 12, or to age 17 where the child is disabled. Child benefit will continue to be paid regardless of family size, as that is the basis of the Government's contribution towards the cost of bringing up a child.

I reassure the hon. Lady that the Government recognise the pivotal role played by kinship carers. Our welfare policies are designed to ensure fairness between families supporting themselves solely through work and those on income-related benefits and to support those most in need. She has raised a number of important issues and the Department will give the policies discussed today and their impact on kinship carers every consideration.

Question put and agreed to.

11.19 am

Sitting suspended.

Taxes on Small Businesses

[Ms NADINE DORRIES *in the Chair*]

2.30 pm

Derek Thomas (St Ives) (Con): I beg to move,

That this House has considered the effect of taxes on small businesses.

It is a pleasure to serve under your chairmanship, Ms Dorries. I am grateful for the opportunity to raise this issue, which affects small businesses in west Cornwall and the Isles of Scilly, in the constituency of St Ives.

Some 87% of business enterprises in my west Cornwall constituency are classed as microbusinesses, meaning that they employ fewer than 10 people. In fact, 99% of all businesses in my constituency are small and medium-sized enterprises, employing fewer than 250 workers. Those small, locally run businesses provide the lion's share of jobs and are the drivers of our local economy. If that is true in St Ives, it will be true elsewhere in the country, which is why understanding how the tax system helps or hinders small business is so important and why I am pleased to raise the issue today. It is also why I have dedicated a considerable amount of time since being elected in 2015 to meeting small businesses and understanding the issues facing them. In fact, I had a small business of my own until my election in 2015.

I know that this Conservative Government recognise the considerable contribution of small businesses, and I acknowledge and appreciate the work that has been done to address the tax burden and support small employers. Many of the 3 million jobs created since 2010 are within small businesses, which is, in part, a credit to Government policy. I recognise that there is no shortage of priorities for the Government and that navigating our way out of the EU will be time-consuming, to say the least. Despite that and—dare I say it—because of it, if there was ever a time to radically address the way businesses are taxed, it is now. While reform will be a challenge, it will undoubtedly yield benefits for our economy by improving productivity, driving wage growth, boosting full-time employment and spreading wealth across all corners of Great Britain, which is a particular concern and interest of people in the far west of Cornwall.

Time does not permit us to consider every aspect of business taxation, and I am not gifted with the brain that is needed fully to understand the complexities of the issue. However, I wish to cover three tax-related issues that stand out to me as clear opportunities for the Government to remove barriers for small business and demonstrate an understanding and recognition of the life of a small business owner.

The first issue is the VAT threshold. Small business owners in coastal communities such as Cornwall and the Isles of Scilly choose to curtail their business to duck under the VAT threshold of £85,000. That is not necessarily about tax avoidance, but more a desire to avoid another level of administration. One business owner on Scilly contacted me because the gallery she runs is set to cross the VAT threshold. She will then have to raise prices by 20% to break even. Since only one of the gallery's 30 artists is VAT-registered, being able to claim back VAT would not compensate for that change. The gallery must either take the leap and accept that burden or close for the rest of the season.

The effect of the stifling VAT threshold in my constituency is reduced activity during shoulder and winter months, reduced employment opportunities, reduced Government tax income, depressed town centre activity and greater pressure on the hospitality sector during peak season. A guest house owner wanting to avoid registering for VAT may also choose to close early, reducing the availability of beds for visitors and removing altogether the potential spend of the visitor within the wider community.

I raise that issue now because leaving the EU presents an opportunity for the Treasury to consider raising the threshold to, for the sake of argument, £120,000. The Isles of Scilly would be a great place to look at if the Treasury wanted to assess the possible impacts and implications of such a change. The Government may find that it is a cost-neutral proposal.

Another benefit of that proposal is the potential to create greater job opportunities and encourage fresh blood into the tourism sector. That is particularly relevant in Cornwall, Scilly and other rural areas across the UK that struggle to retain young people. I am not suggesting that the proposal would address the skills gap entirely in remote and rural areas, but it would be a step in the right direction.

I assure the Minister and everyone here today that the need to address the VAT threshold in coastal communities is regularly brought to my attention by business owners. I am interested to hear if the Minister is minded to consider such a proposal and possibly a pilot in the constituency of St Ives.

Jim Shannon (Strangford) (DUP): This is a very complex matter. I was doing some research on it and found that 59% of homes now own a tablet, 71% of UK adults have a smartphone and 97% of small and medium-sized businesses have access to online services. I make a plea to the Minister on behalf of craftspeople—people who know nothing about computers but everything about their hands. The person who has a computer in their house is probably a 13-year-old—

Ms Nadine Dorries (in the Chair): Order. Mr Shannon, please keep it to an intervention, not a speech.

Jim Shannon: Does the hon. Gentleman agree that that point is not fully taken into consideration when it comes to the digitalisation of everything?

Derek Thomas: If the hon. Gentleman is happy to wait, I will be pleased to address that issue later.

I will move on to business rates, which have been quite a contentious and well-documented issue in recent months. There is no doubt in my mind that if the Treasury were inventing a taxation system from scratch today, the current business rate system would not feature in its proposals. The Government should scrap the current system of business rates and develop a fresh solution, injecting fairness into the tax system for small businesses and taking into account the growth of online shopping and supermarket home delivery services.

Structurally, there are many things wrong with business rates. The tax bears little or no relation to the success or activity of a business. The method used to calculate it is arbitrary. Colleagues will be aware that rates are calculated by multiplying the rateable value, based on the assumed

[Derek Thomas]

rental value of the property, by a multiplier set by Government. Almost in recognition of that, and in an attempt to spare small businesses the business rate burden, the 2010 Conservative-led coalition and the two successive Conservative Governments have sought to address the problems associated with business rates. As a result, some businesses are eligible for rate relief, with many paying no rates at all. Others, for reasons that are beyond the understanding of most lay people, find they are charged 100% business rates, with many in my constituency experiencing considerable increases following the revaluations earlier this year.

The owner of a small independent delicatessen in Helston, where rents are relatively lower, approached me for help in March. Her current rateable value stands at an extortionate £17,750 per year. To rub salt into the wound, her rates are calculated as £149 per square metre, which is the second highest on the street. A chain bakery operating next door pays just £101 per square metre—32% less—and a national clothing chain on the other side of the street pays just £66 per square metre, which is over 56% less. If she enjoyed the same rate per square metre, she would be liable for no rates whatsoever. Because of her business rate charge, she is not sure that she can afford to stay in business.

The current business rate calculations unfairly discriminate even between businesses in the same part of the high street and do not enable businesses to operate on a level playing field. The great tragedy is that that example is not unique. There are similar cases of an independent photography shop in Penzance and a car paint-spraying business that is run by two youngsters who find that their business rate charge bears no comparison to similar units on the same industrial estate. In both instances, there is little hope for the businesses unless the Government act quickly.

Furthermore, in this age of online shopping and supermarket home delivery services, there are businesses essential to the health of the high street that find competing in today's world nigh on impossible, despite their so-called privileged position on the high street. Historically, a place on the high street gave an advantage to the shop owner, and consequently the business rate levy reflected that. The ability of supermarkets to provide a delivery service direct to the door has undermined that advantage, and in many cases, despite the modern reach of supermarkets as a result of home delivery services, the supermarket pays relatively less in business rates than the high street shopkeeper. In fact, in St Ives, business rates for some supermarkets reduced this April.

To add insult to injury, rents in St Ives town are being pushed up by the perceived popularity of this iconic place. This year, because rate charges relate to rental values, independent business owners have seen their business rate charge rocket. Traditional retailers, such as bakers, butchers and grocers, face the risk of closing after decades of trading. High street chains move in, and ironically the very thing that drives visitors to St Ives is being lost, partly because of what I believe is a flawed business rate system.

Could it be that the cost of running a high street business, including a business rate charge, means that a greengrocer can no longer compete with a supermarket 20 miles away, now that it can deliver groceries to the

family living in the flat above? Surely a modern-day business tax should recognise such changes in consumer behaviour. Furthermore, business rate charges take no account of external factors such as high parking charges, poor upkeep of the local area, closure of local public toilets, or a downturn in the economy, most of which have been experienced in Cornwall in recent years.

I have worked hard with a number of business owners who have found the business rate system profoundly challenging. That group includes a local pub owner, who came to the trade recently, full of enthusiasm. The pub employs 14 locals and is a focal point for the community. A rate review means that the pub now faces a 280% increase in business rates, which equates to an extra £13,000 a year. I recognise that the Government have done some work, and Cornwall Council is also doing some work, to help with that, but the fact remains that that rural pub owner's rates have increased by 280%. As rural pubs close around us and communities are losing their rural services, issues such as this are hardly encouraging to new entrants.

Another major drawback is that business rates hinder aspiration. Should a small business benefiting from full rate relief wish to take on a second property, expanding both the business and the workforce, it will lose its rate relief and pay rates on both the new and the existing outlet. That step change discourages growth and innovation, and stifles all the benefits that growth brings, including job opportunities, staff training and career progression. That is hardly the intention of what I believe is a small business-friendly Conservative Government.

Before moving on, I want to stress the potentially unique role that traditional independent retailers such as bakers, butchers and grocers have in looking out for vulnerable people in the community—for example, the elderly. That is reason indeed to consider the potentially devastating impact of an outdated business rate system.

Finally, I would like to address the Government's Making Tax Digital plan. I am in favour of moving across to digital tax reporting and I recognise the Government's ambition to move to a fully digital tax system during the next few years. Will the Minister ensure that SMEs, including sole traders, have easy access to reliable software and training? Have the Government considered that for some businesses, a transition to digital-only tax will present a further serious administrative and financial burden? Strange as it may seem, there are still significant numbers of traders who are not naturally acquainted with online activity. I am reluctant to single out individuals, but I have met a number of sole traders who are not tech savvy, and the idea of making tax digital fills them with dread.

At present, I can see that there may be a benefit to Her Majesty's Revenue and Customs in making tax digital, and I know that the Government are making allowances for areas of poor digital connectivity and plan to exempt some on very low self-employed incomes. Can the Minister please ensure that those exceptions are properly supported by accurate data, so that those who are not yet in a position to take part in the brave new world of digital tax reporting will not be unfairly penalised or discriminated against?

In conclusion, I believe that the Government could send a clear message that Brexit does not mean that important domestic priorities are being left on the back burner. The Government can do that by ensuring that

small business growth is not stifled by out-of-date and grossly unfair tax systems. Taxation must promote growth so that, as a nation and within our communities, we can maximise all the benefits that a vibrant economy brings. As changes in consumer behaviour and better digital services lead consumers to gravitate towards online shopping and supermarket home delivery, we must ensure that the Government have a fair system of taxation and make changes to unlock the potential of our country's entrepreneurial small businesses.

The Government must recognise that the negative impact of business rates and the profit hit from VAT registration often go hand in hand. Both taxes kick in at the crucial point when an enterprise is on the cusp of growing to a size at which it can be of useful benefit to the local economy and community. Will the Government please consider scrapping business rates once and for all, in favour of a tax that reflects the economic activity of all businesses concerned? Will the Government explore opportunities to raise the VAT threshold in coastal and rural tourist areas, and will the Government continue to listen carefully to those who recognise the move towards digital tax reporting but ask that we approach it with caution and understanding?

Ms Nadine Dorries (in the Chair): I call Jim Shannon.

Jim Shannon: Ms Dorries, I withdrew my name this morning.

Ms Nadine Dorries (in the Chair): Well, it is still on my list. We will go to Robert Jenrick.

2.45 pm

Robert Jenrick (Newark) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries. I am grateful to my hon. Friend the Member for St Ives (Derek Thomas) for bringing this matter to the House's attention. It is an incredibly important subject.

Like a number of hon. Members in the Chamber today, I came to the House having run a business. Not only was I involved in running businesses, but more importantly, I grew up—indeed, spent most of my life from the age of four—involved to a greater or lesser extent in a family business. Having seen a business founded and run from a kitchen table and known that the roof above your head was on the line when the cash flow was short or times were difficult gives you a respect for small business people and entrepreneurs that never leaves you. That helped to forge my politics and make me a Conservative, because it is the Conservative party that has always respected small business and sought to use what levers we have, including the tax system, to incentivise small business people and entrepreneurs, to reward enterprise and to focus enterprise on the things that really matter, not just for them but for the benefit of everyone—the whole of society. I am talking about innovation, research, development and building a vibrant economy that works for everyone.

I want to talk about a few of the tax changes that have been made since the Government first came to power in 2010, which I know, from the small businesses that I speak to in my constituency, and from talking to the businesses that I have been involved in and even my own family business, have made a huge difference. There are the obvious ones to the headline taxes that we have

made such a big issue of over the years. I am thinking of the reduction in corporation tax, which has fallen to 19% and will fall again to 17%. That is an incredibly important, landmark reduction in taxes that affects, of course, big businesses and corporations, but also small businesses that prosper—the directors, founders and shareholders want to see a reward for their hard work. That tax would go up under Labour. The Labour party's manifesto, or the small print of it at least, said that the small profits tax—for those below £300,000—would rise to 21% in 2020-21.

Capital gains tax is another tax that we have reduced. We increased it initially, at the beginning of the coalition Government, and then accepted that we had made a mistake and brought it down again. We have not brought it to as low a level as applied under the last Labour Government, but we have brought it down, which benefits businesses of all kinds. I would be very concerned if a change in Government led to its rising again.

However, taxes that get far less publicity in the main political debate are perhaps my priority. I am talking about those that, in the long term, benefit innovation, investment and research and development. The most obvious one that I have seen succeed is the research and development tax credit. That tax credit enables businesses large and small to claim back against profits, following the latest development, an extra 130% of their qualifying costs. That was on top of the 100% that we had had in the past, meaning a 230% tax credit for research and development by a business. In fact, there is a tax credit even if there is a loss by that business. That is incredibly generously defined and implemented by the Treasury, particularly for small businesses. Businesses involved in manufacturing—like the business that I have been involved in, through my family, for many years—with a high research and development capability, can usually see tax bills as low as 10%. In fact, it is unusual for a business like that—an SME manufacturing business—to have a tax bill above 10%. That is incredibly important because those are the businesses that, across the House, we care about and want to succeed in this country.

The patent box regime introduced by the last Chancellor of the Exchequer for corporation tax relief is incredibly important. It has led to tax reductions for all businesses that develop new products in manufacturing, software and other areas, and has been generously defined so that SMEs can access it and benefit from it without needing the finest lawyers or tax accountants. The innovative businesses that we want to prosper in our constituencies would struggle to pay more than 10% tax as a result of corporation tax, R and D tax credits and the patent box regime. I am concerned that a future Labour Government would abolish those incredibly important reliefs. Will the shadow Minister, the hon. Member for Bootle (Peter Dowd), comment on the Labour party's position on the reliefs that businesses the length and breadth of the country rely on?

Entrepreneurs' relief has increased the lifetime limit on gains for entrepreneurs, which I think was £1 million when we came into government, to £10 million—a lot of money to almost anyone, and certainly to people in my Nottinghamshire constituency. Entrepreneurs of any scale can use that relief to ensure that their lifetime's hard work—the business that they have built up—can be used for their pension or passed on to the next generation. Someone who owns a business, whether it is a highly

[Robert Jenrick]

successful tech business worth tens of millions or a florist's in Newark that they have devoted their entire life to, can be sure that when they sell it, they will gain the benefit. Enterprise and hard work have their reward. Above all, the entrepreneurs we care about most in society—the ones who do not take out the profits but reinvest them in their business—can have the confidence that they will be able to use that business in retirement as their pension or nest egg. I ask the shadow Minister what the Labour party intends to do about that relief.

For seven years, we have worked hard to close loopholes that were exploited by private equity and others to direct those funds to people that none of us in this House would want them to go to. We want to ensure that genuine entrepreneurs have the confidence not to take out money from their business, which they could easily do when it becomes successful, but to continue to reinvest it and to ensure that that business succeeds. Reinvestment involves employing more people, expanding, creating new opportunities and driving the economy forward. We should be proud of entrepreneurs' relief and promote it to entrepreneurs, whatever the size of their business, in our constituency.

Although we have cut corporation tax to the lowest level imposed in any major developed economy, the level of business property taxes is still among the highest in the OECD, as we heard from my hon. Friend the Member for St Ives. I agree with him about the effect of business property taxes, not just on the obvious business owners, such as shopkeepers in the small market towns of Newark and Southwell, but on start-ups; on businesses that need a workshop or retail outlet before they build a presence online; on offices; on manufacturers who want factory space; and on businesses making their first expansion by purchasing new sites and renting new premises. Those businesses suffer most from this, and the Treasury should do further work to understand how we can move into the 21st century. Business is going online and we need a level playing field.

All these lower taxes for businesses are in the debit column, but there are some items in the credit column. The introduction of the national living wage means that small businesses must pay their staff more and make pension contributions. There are enhanced benefits; most recently, the Government announced extra bereavement leave. All these policies have almost universal support in this House. I support them all. Most small business owners want their workers to be treated well, paid the living wage, and so on. However, the policies have put pressure on small businesses, particularly in constituencies such as Newark that have high numbers of catering businesses and small retailers.

There is a fine balance between the pressures that important social changes have brought to our small businesses, and the policies that this Government have introduced, and that we support. If we want to ensure that the living wage continues to rise and working people are better supported, we need low taxes on the other side—corporation tax, capital gains tax, entrepreneurs' relief, the patent box regime. We need the balance to work in favour of entrepreneurs and risk-takers—the businessmen and businesswomen of this country. That is why we should be deeply concerned about a Labour Government, who would not only follow our lead on

social reform and treating workers as they should be treated, but risk diminishing and undermining the tax reforms and reductions that small businesses have come to rely on. That would put the enterprising people of all our constituencies at great risk. Enterprise should have its reward. I believe the Conservative party will always provide that reward for the hard-working constituents we represent.

Glyn Davies (Montgomeryshire) (Con) *rose—*

Ms Nadine Dorries (in the Chair): Order. It is appropriate etiquette for any Member who wishes to speak to rise and catch my eye. Is Mr Davies the only remaining Member who wishes to speak?

Robert Courts (Witney) (Con) *rose—*

Ms Nadine Dorries (in the Chair): I call Mr Courts.

2.56 pm

Robert Courts (Witney) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries. I welcome the chance to speak in this important debate, which I congratulate my hon. Friend the Member for St Ives (Derek Thomas) on securing. I declare at the outset my chairmanship of the all-party group on small and micro business, and my practice at the Bar, both of which have a clear bearing on the debate. I also refer hon. Members to my entry on the Register of Members' Financial Interests.

There is no doubt that small businesses are the drivers of our economy—the agile, risk-taking job creators. It is no exaggeration to say that they are the very fabric of our society. That is never clearer than when I walk around my constituency of Witney and west Oxfordshire and see many hundreds of brilliant examples of small businesses that have started from scratch in small premises. As my hon. Friend the Member for Newark (Robert Jenrick) says, many of them start around a kitchen table. I recently launched the West Oxfordshire Business Awards, at which I saw some fantastic examples of such businesses. They make the importance of small business crystal clear.

It is essential that we continue to work towards a low-tax economy. I entirely concur with my hon. Friend about this Conservative Government's attitude to support for small businesses and the low-tax economy they have fostered. I thank them for it. There is no doubt that the burdens of taxation on small businesses are significant: it is estimated that they spend about £3,600 per year and three hours per month on administering the tax burden and complying with its obligations. It is incumbent on us to reduce those obligations to as limited a level as realistically possible. The chief culprits are VAT, corporation tax, income tax and PAYE.

Making Tax Digital is a key plank of the Government's agenda. I freely confess that when I practised at the Bar before being elected to Parliament, I did not hugely look forward to filling in my annual tax return or my quarterly VAT return, so I was not wildly enthusiastic about the prospect of doing either more frequently. Setting aside that immediate reaction, once the system has bedded in and people have got used to it, it will clearly make it easier in the long run for small businesses and microbusinesses—as well as sole traders like me—to do tax returns online and more frequently, rather than in a massive chunk at the end of the year.

I welcome Making Tax Digital, and I think its benefits need to be explained to all businesses, but I ask the Government to ensure that complying with it is not an onerous burden for small businesses. Chief among my concerns are training and software. I make a plea that the software be fully tested before digital taxation is rolled out, so that it works smoothly and unintentional difficulties are not introduced. I also applaud the amended timetable that was laid out in July; I think it was the Minister who is here today who did that. Clearly the Government have listened to some of the concerns that have been expressed by small businesses and that amendment will assist them greatly.

I welcome the national living wage and the start of auto-enrolment for pensions. Those measures have done so much under this Conservative Government to help the lowest paid in our society and to ensure that people have planned for a successful, safe and financially secure retirement; they are much to the Government's credit. However, there is an impact upon small businesses, especially those with lower margins and those for whom the staff costs—childcare, social care and so on—are particularly high.

I ask the Government and the Minister just to consider whether they might be able to support employers further by looking at increasing the employment allowance, simply because that is something that companies tend to use to put into investment in technology, hiring more staff or raising wages. The small business community would welcome such an increase.

It would not be right for me to make a speech in this debate without mentioning business rates, which of course are a major concern to many small businesses. Again, when I walk around my constituency—including the streets of Witney, Burford and Chipping Norton—and see the wonderful small businesses that are so unique, I am reminded how important it is that we never reach a situation in which we have identikit high streets and essentially the same chains populating towns.

I thank the Government for having listened to the concerns expressed earlier this year with regard to the discretionary relief fund—the £300 million that was produced and given to local authorities. I pay tribute to my council, West Oxfordshire District Council, which is well on its way to distributing the help that has been given by central Government to local Government. I would like to make it quite clear at this stage that there is good evidence in Witney that that help has made a real difference and saved some businesses that might otherwise have been unable to cope. So, as I say, I thank the Government for that.

However, I have some concerns about the administration that is involved in any business rates system, particularly with regard to the valuation office. A constituent has been locked for four years in an unresolved dispute over the valuation of their property. The layers of bureaucracy, which are confusing enough for those of us who regularly deal with these matters on a casework basis, are particularly challenging for small businesses. I would like to see a quicker and more efficient appeal process for the purposes of business rates valuation.

I will just say a few words about the online environment, which I know the Government are working on. An incredible world exists for us now. When we are sitting here having made our speeches, we can order things

online—all sorts of products from all over the world. Gone are the days of needing to visit another country to get their products; we can get their products brought here to us. That is extraordinary but there is a real issue when small businesses, such as those I have referred to, that are trading from brick and mortar premises are up against large companies that are not paying the same business rates because of their obvious lack of such a physical presence. It is very difficult to compete against those companies, and likewise against the larger multinationals or nationals who can more easily absorb the costs, the bureaucracy and of course the taxation that is involved. I know that the Government are aware of that and that they are doing something about it; I simply flag it as something that is very important for small businesses.

We must also remember that there is an element of choice for consumers, and that it is incumbent upon all of us to spread the word among our constituents about the brilliant small businesses that we have in our local area. In my constituency there is a great local bookshop in Woodstock. Well, if we want to have that shop, or the florist in Witney, we need to go in there and buy things, and not buy everything from Amazon. Those shops need to be there and we need to support them and actively make that choice. And let us not forget what such shops can give, because there is the real customer service—the care and dedication—that one gets from businesses that their owners really feel about, when they have set them up from their own kitchen table and grown and sustained them through their own blood, sweat and labour.

I will conclude by saying that as we leave the European Union we have an extraordinary opportunity to make Britain the most business-friendly environment in the world—the best place to start the small businesses that really are the lifeblood of our local economies. I am entirely confident that that British entrepreneurial spirit will ensure that we continue to thrive outside the European Union and make the most of those global opportunities that are there for the taking.

However, we all need to continue to ensure that we have the business-friendly environment that encourages and unlocks the talent that we have, which means a low-tax and low-regulation environment, to make sure that our local businesses not only continue to survive but continue to thrive. I know that is the case under this Conservative Government, and I applaud all activities in that regard and in that direction.

3.4 pm

Glyn Davies (Montgomeryshire) (Con): Thank you, Ms Dorries, for calling me to speak in this debate and, indeed, for your generosity in doing so after I was a couple of minutes late in arriving.

I congratulate my hon. Friend the Member for St Ives (Derek Thomas) on bringing this matter forward for debate. I took great interest in his comments about business rates. I cannot say a great deal about business rates, because they are a devolved matter in Wales and it would not be appropriate for me to speak about their effect in Wales here in Westminster. However, I must say that the dramatic changes in terms of revaluation really have put the most horrendous pressure on some of the most important businesses in my constituency.

[Glyn Davies]

The one issue that I will raise today is VAT on tourism. It is not a new issue; it has been discussed many times before. However, I want to make sure that it stays on the Treasury's to-do list, so I have come along to this debate to talk about the impact of that tax on small business.

In Montgomeryshire, and I am sure in most rural areas of Britain, tourism is a massively important industry and a hugely important part of the local economy. Very often, the competition to an area such as my constituency is from overseas. In a lot of overseas countries, which people can choose to go to for their holidays or to visit for a day or a week, the level of VAT is much lower than it is here. The differences might be measured in relatively small amounts of money, but the point is that it is competition and other countries can advertise by saying that they have a lower level of VAT than Britain. The impact of our level of VAT is negative and it is particularly damaging to rural areas that depend on tourism.

As for my constituency, a lot of people know about Powis castle, Lake Vyrnwy and the Lake Vyrnwy hotel, which is a huge attraction, as well as the Montgomeryshire canal and the Welshpool to Llanfair light railway. Those things are why people come and very often they are the reason people come to Montgomeryshire to set up all sorts of businesses. The point that I am making is that tourism is massively important to my constituency, and I am sure that the same is true of every other rural part of Britain.

As I have said, the issue of VAT on tourism, which is at 20% in Britain, has been under discussion for many years and addressing it has been very much part of the work of the all-party group on the tourism and hospitality industry in Wales. Lowering it is one of our major campaigns and has been for a long time. The ambition is to make certain that VAT on tourism is not forgotten. Addressing this issue needs to be part of the Treasury's considerations.

It would be very enjoyable for me if the Minister stood up today and said that in the Budget in November, the Chancellor will say that he is contemplating a cut in VAT on tourism, but I am not absolutely sure that that will happen. However, it is important that we keep this issue as a consideration for the future. I know it is not a straightforward issue, and that there may well be administrative costs and that we could be accused of having different levels of VAT. We need to know what the benefit to businesses would be of lowering VAT on tourism. Instinctively, we believe there will be a benefit when the competition is lower, but we need to know what that benefit might be.

What I am asking for more than anything else is that the Treasury keeps this issue under consideration, and that we have a proper understanding of and a continuing inquiry into what the benefits of any VAT cut would be, because as we leave the European Union, the freedom to take decisions relating to VAT will change things; it will give us a lot more freedom. Something that I would like to do as a celebration of our leaving the European Union and the ensuing freedom that we will have to vary our VAT is to announce that we are either removing or greatly reducing VAT on tourism in Britain. The economic benefits of doing so would be huge and I hope that it is something the Treasury will keep under consideration.

3.9 pm

Carol Monaghan (Glasgow North West) (SNP): It is a pleasure to be called so early in the debate this afternoon, Ms Dorries. I thank the hon. Member for St Ives (Derek Thomas) for securing such an important debate. He spoke passionately about constituency interests and local businesses that are affected.

The hon. Member for Newark (Robert Jenrick) presented his personal experience of tax on SMEs and talked about the importance of supporting innovation and enterprise, which I will talk about a little. The hon. Member for Witney (Robert Courts) talked about what he saw as the opportunities presented by Brexit. I do not necessarily share his optimism for the next couple of years, but we will see what happens. Time will tell on that one. As far as I am concerned, it is important to reinforce that Brexit is a real threat to small business, and we should do everything we can to avoid a hard Brexit. I know from speaking to trade organisations across the UK that their members are genuinely worried about what Brexit—or, even worse, a no-deal Brexit—will mean for their small businesses.

The Scottish Government recognise the importance of SMEs and are taking action to support them with initiatives such as the £500-million Scottish growth scheme to target high-growth, innovative and export-focused SMEs, which will clearly need as much support as they can get after March 2019. In June the Scottish Government announced the first tranche of the Scottish growth scheme, aiming to stimulate more than £200 million of investment to help small businesses grow, and they will make a further investment this year. Alongside additional private sector investment, we expect that to provide more than £100 million to innovative, high-growth companies. Scottish Government funding for new business research and development projects is also increasing, with an additional £45 million being invested over the next three years.

Various Members have mentioned VAT on tourism. The hon. Members for St Ives, for Montgomeryshire (Glyn Davies) and for Strangford (Jim Shannon), who has left the Chamber, mentioned the tourist tax. I have just come from the Royal National Mòd, which is being held this year in Lochaber around the Fort William area. The area is the outdoor capital of the UK, and definitely of Scotland. The area is poised and ready for expansion. The opportunities for tourism are unique. Ben Nevis is on its doorstep and there are all sorts of activities available from white-water rafting to low and high-level walking. One issue that crops up time and again is VAT on tourism. If that could be brought into line with other EU countries, we could see much greater investment and real expansion in the area.

Business rates were mentioned by most Members. The Scottish Government's small business scheme has removed the rates burden entirely from 100,000 premises across Scotland and we will urgently take forward the Barclay review recommendations on non-domestic rates. More than half of our rateable properties are paying nothing this year, and more than 70% of Scottish properties are paying the same or less in 2017-18 than they did last year. That is making a difference to small businesses across Scotland. Additionally, all rate payers in Scotland have the right of appeal against the independent assessor's determination of rateable value, which is free to do in Scotland, unlike in the rest of the UK.

We believe a simplified tax code would pave the way for a significant boost in tax yield. The UK has one of the most complex tax codes, which is often guilty of creating an uneven playing field for our businesses and workers, as well as creating loopholes that disproportionately aid and assist the wealthy and powerful. The hon. Member for Witney talked about the amount of time that had to be spent on completing tax returns, which is a big issue for small businesses.

We broadly support the transition to digital taxation, but we have a series of concerns regarding its implementation, particularly for small businesses and specifically around the impact of digital taxation on low technologically advanced businesses, businesses in rural areas with restricted access to the internet, and small businesses generally that perhaps do not have the skills required to deal with it.

As we face Brexit and the challenges that that will pose for our small business community, the UK Government must do more to support small businesses, which are the backbone of our economy, and I urge the Minister to look seriously at the issue of VAT on tourism that has been raised by several Members this afternoon.

3.15 pm

Peter Dowd (Bootle) (Lab): It is a pleasure to serve under your stewardship today, Ms Dorries. I thank the hon. Member for St Ives (Derek Thomas) for initiating this important debate. We all recognise that small businesses are the backbone of our economy. Most of us have a family member involved in a small business. They might work for or own a small business, or they might be a partner in a small business, so I would not like people to get the idea that the Labour party is distanced from small business. We are not; we are right in the heart of the small business community. The question is whether the Government have neglected the needs of small business in favour, for example, of tax breaks to big business that has failed to stimulate investment and create the high-skilled, well-paid jobs that the country needs. We have record employment but, as I have said in the past, the issue is not just about the quantity of jobs but the quality. I do not demean the number of jobs that have been created, but there has to be a balance.

Under the Conservatives, productivity trails behind our international rivals and British businesses are struggling to recruit the skilled workers they need. The Government have failed to invest in the infrastructure that businesses depend on and have presided over what amounts to a skills crisis. The approach we have seen from Ministers on business rates revaluation is only one example of the chaos at the heart of the Government. Their approach to business rates revaluation has created a huge and destabilising burden for many businesses, with many facing a substantial and unfair increase, which other Members have alluded to. Discretionary funds are helpful, but they do not solve the underlying problem. All that is in advance of the issue that the continued uncertainty around the Government's approach to Brexit negotiations is creating in the UK business community, whether small or large.

Such uncertainty has led many businesses to delay investing in their people or capital, which is having the unintended effect of undermining the economy's long-term prospects. No wonder optimism among small firms and businesses has tumbled to its lowest level in the wake

of the referendum and the unprecedented political and economic uncertainty that we face. What we do about it is a different matter, but that is what we face, and that is the environment that people and small businesses operate in.

According to the Federation of Small Businesses' small business index, a majority of small and medium-sized businesses report that operating costs have risen compared with the same period last year. Labour costs are up, taxation is up and rent is up, and all are frequently mentioned as problems. On top of that, the Government are out of kilter—I will go no further than that—in relation to Making Tax Digital. Stakeholders, including tax experts and accountants—we have discussed this previously—have queried the Government's implementation date as well as the added cost that will be passed on to small and medium-sized businesses. I take the point made by the hon. Member who said, "You get used to it," but to be fair, at what point do you have to get used to it?

What we might call the U-turn, or about-face, that the Government made during the summer, under the Minister's auspices, scaling back plans for Making Tax Digital, was welcome. It pushed back the implementation date to 2019, ensuring an exemption for small businesses below the VAT threshold, and ensuring that businesses do not have to submit quarterly tax returns just yet. I do not criticise that; it is welcome. However, despite that volte-face there is still, in our opinion and that of many others, an impact on small businesses; an example is the unrealistic 2019 implementation date for Making Tax Digital for VAT. That date would mean that SMEs were expected to deal with the added costs and complications of digitalising their tax returns at the same time as having to deal with the added costs of Britain's leaving the European Union. The hon. Member for Montgomeryshire (Glyn Davies) thinks that is a good thing and he is entitled to his opinion, but that is not necessarily everyone's view.

There is also huge uncertainty over whether businesses and HMRC will be ready to implement Making Tax Digital by 2019, and we must take that into account. Perhaps the Government's implementation timetable has more to do with the lacuna in the public finances. I do not know; I pose the question. According to HMRC, Making Tax Digital will raise £2.1 billion for the Treasury, although the Minister may tell me that that is not the correct figure. That money has probably already been spent; whether it is raised is a different kettle of fish. That is another factor for small businesses to take into account.

The truth is that the Conservatives are not the only party for small businesses. In fact, one could argue that in the past few years they have rewarded larger companies with tax cuts at the expense of SMEs. As to tax avoidance, over the past month we have seen the same story play out, first with eBay and then Amazon. We have heard about small stores in villages having to compete in the face of non-collection of huge amounts of tax from the likes of Amazon, which avoid their fair share of tax or run rings around HMRC. That affects small businesses because they pick up the tab.

The Financial Secretary to the Treasury (Mel Stride): I have been listening with growing disbelief to the hon. Gentleman's running commentary of doom on our

[Mel Stride]

approach to business. He mentioned tax avoidance, but does he recognise that since 2010 we have, through our measures against avoidance, evasion and non-compliance, brought in £160 billion? We have reduced the tax gap—the amount of tax that should have been collected but has not—to 6.5% of tax. That exceeds any year when his party were in government.

Peter Dowd: I am pleased that the Minister has brought that to my attention. I bring to his attention Labour's tax enforcement programme, as well as our manifesto, "Funding Britain's Future", and our industrial strategy. I am sure that the Minister has read those avidly and will no doubt revisit them.

SMEs find it increasingly difficult to operate around the tricky and ever-changing tax law while HMRC has been directed to crack down hard on them. The likes of Martin McTague, policy director at the Federation of Small Businesses, recently accused HMRC of going for the soft underbelly by tackling SMEs over tax avoidance and evasion rather than showing the same energy in confronting larger companies, and arguably, by underfunding and not resourcing appropriately.

Robert Jenrick: Will the hon. Gentleman answer the point that I made in my remarks about why the Labour manifesto included an increase in corporation tax for small businesses? If it cares about small businesses rather than large ones, why increase business profits tax for them?

Peter Dowd: I suggest that the hon. Gentleman reads the totality of the document, about the whole environment in which small businesses would operate. It is not a question of one element, but the total environment. That is the point I am trying to get across. It is not one specific thing, such as tax for small or large businesses, but the complete environment in which businesses must operate that we must consider. The current environment is not the most conducive to business for SMEs, in my humble opinion. That is my view; Members may agree with it or not.

We are committed to putting small and medium-sized businesses at the heart of our economic policy. We value them.

Mel Stride: To pursue the point a little further, I understand that the Labour party's policies are to put up the corporation tax rate to 26%, whereas we are going down to 17%. The difference is a huge gulf—a huge additional tax burden on British businesses. Has the hon. Gentleman's party conducted any analysis of the impact that that huge hike in taxation is likely to have on jobs, wealth creation, taxes and our ability to fund our public services?

Peter Dowd: Of course we have.

Chris Philp (Croydon South) (Con): What's the answer?

Peter Dowd: The hon. Gentleman, from a sedentary position, asks for the answer. We are here for the Government to defend their record, not for a defence of what Labour's record will be. [Interruption.] It is okay for Members to laugh, but the bottom line is that the economy is in chaos. Only yesterday the OECD effectively

said that the Government should rethink their position on corporation tax. That is not coming from me; it comes from our partners elsewhere.

We want to support small and medium-sized enterprises. I have made the point that it is ridiculous to suggest that they are somehow a foreign land to the Labour party. The country needs, and we have set out, proper investment in the economy and skills and increased productivity. We believe that small businesses can play a part in investment, in a rise in productivity and in helping with skills shortages; but in turn it is our responsibility to help them. I am not sure that they are getting the support they need.

3.27 pm

The Financial Secretary to the Treasury (Mel Stride): It is a pleasure to serve under your chairmanship, Ms Dorries. I thank my hon. Friend the Member for St Ives (Derek Thomas) for securing this excellent debate. I recognise the extraordinary passion with which he has always prosecuted the argument for the importance of small business, not least in St Ives. As a fellow west country Member of Parliament, I am grateful for all that he has done to fly that flag over the years.

I have sat with growing incredulity as the shadow Minister, the hon. Member for Bootle (Peter Dowd), for whom I have a lot of personal respect, has set out Labour's stall as the party for business. Apparently it is not the Conservatives, a number of whose Members are here for this important debate, who are the party for business, but the Labour party, represented just by the shadow Minister, who of course needs to be here, unlike his absent colleagues who chose not to be. I think that says a great deal. The hon. Gentleman referred to the chaos presided over by the Government. I am afraid I simply do not recognise that suggestion. The economy has been growing for the past four years. We have more people in employment than at any time in our history, we have the lowest level of unemployment since 1975 and we have slashed the deficit by three quarters. That is not the hallmark of a Government who are in economic chaos.

To move on to the question in hand—the importance of small businesses, and particularly taxation of small businesses—I want first to recognise the huge contribution that they make to the economy. I thought my hon. Friend the Member for Newark (Robert Jenrick) quite movingly described his early years when, sitting at the family table, he realised that every pound mattered. I think the expression he used was that the roof of the house was at risk, in some sense. I recognise, having had a similar background and watched my parents and family go through a similar experience, and having created a business myself and done the same, that we owe a huge debt to the 5 million small business people who do what they do day in, day out, and who often worry about it greatly.

Small businesses are delivering. Small businesses are generating 48% of private sector employment. About a third of private sector turnover comes by way of small businesses. The benefits are not just there for those involved in small businesses; they are there for us all and for society. Small businesses pay the taxes that in turn pay for public services, for the doctors, nurses and paramedics and for the army, police, fire services and so on—all the things that are the hallmark of a civilised society. We owe them a very large debt.

When we talk about job creation, wealth creation and taxation, it is important to recognise that it is not government that does those things, but it is government that sets the environment. The Government can pull the levers that make it easier, or sometimes get in the way and make it more difficult to achieve particular outcomes. I would like to focus on some of the things we are doing.

First, outside the tax sphere, we have the British Business Bank, which has facilitated £9.2 billion in finance. Lending through the bank was up 24% on the previous year. We are channelling money into commerce. We have the StartUp loans programme, from which 50,000 entrepreneurs have benefited, and those are individuals who typically cannot go to family for the funding required. It is small amounts of money, but they have the get-up-and-go and the desire to make something happen in the business environment. We have the enterprise finance guarantee scheme, which has driven £2.9 billion of investment in business to date. Most of those guaranteed loans—I think they average a little over £100,000 each—are going into the small business community.

We have done a huge amount on the tax front. Many Members have raised some of the issues in the debate this afternoon. Corporation tax was 28% when we came into office in 2010. It is now down at 19%, and we made a manifesto commitment for it to head down to 17% by 2020-21. That is a huge drop in taxation. For those who are self-employed and unincorporated, the personal allowance has risen dramatically since 2010 to £11,500. It is heading further up to £12,500, taking 3 million to 4 million people out of tax altogether. Once again, that is us assisting those in business not operating through a corporate or company structure.

The employment allowance was mentioned. It is an allowance of £3,000 for anyone employing somebody. If someone has four workers on the national living wage, which my hon. Friend the Member for Witney (Robert Courts) rightly lauded, they would be paying just £30 in national insurance. That is huge assistance for the smallest companies and for generating jobs.

Entrepreneurs' relief has been much spoken about. It increases the lifetime allowance to £10 million so that the capital gains tax for entrepreneurs when they sell shares in their businesses is just 10%, rather than 20% or potentially 28%. The new state pension has not been mentioned. It started in 2016 and benefits the self-employed to the tune of £1,900 a year.

We are making a number of important changes that support business, but I want to turn specifically to a few of the contributions to this afternoon's debate. My hon. Friend the Member for Newark shared his personal experiences with us, for which we are grateful. He talked about the high importance of low taxation, tax support for research and development, the patent box and entrepreneurs' relief.

My hon. Friend the Member for Witney is passionate about business. I was interested to hear about his West Oxfordshire Business Awards, which he has done a great deal to promote and encourage. He welcomed the new timetable for Making Tax Digital, which is an example of our listening to the business community. He welcomed the employment allowance and suggested we increase it. I will take that as a Budget representation from him. I noted his comments about appeals and the valuation office. If he would like to meet me or write to

me—not so much about the specific case he raises, because it would not be appropriate for me to get involved in that—about the principles that that case throws light on, I would be interested to take that up on his behalf.

My hon. Friend the Member for Montgomeryshire (Glyn Davies) raised the importance of VAT and its interconnection with tourism. He is right, and once we have left the European Union we will have greater latitude to make changes there. It is probably a big debate for another time, but I understand the points he made so strongly.

The hon. Member for Glasgow North West (Carol Monaghan) highlighted the uncertainties of Brexit and the difficulties it might cause. We were in a metaphorical sense around the same side of the table on that debate, because I campaigned to remain, but I say to her that the British people have taken their decision. It is beholden on us all to be positive and upbeat and to seize the opportunities. We need to look for the bright sky and not dwell on any lingering doubts that we might have. I say to her that ironically, one of the great opportunities will be for us to take control of some of those tax areas, such as VAT, as we go forward after leaving the European Union.

The hon. Lady raised the issue of Making Tax Digital and its accessibility in rural areas where broadband might not be as available as in other areas. There are provisions in the Finance Bill that I am taking through the House to ensure that those who are genuinely digitally excluded will be able to provide their information in a non-digital form.

I turn now to the specific points that my hon. Friend the Member for St Ives raised. The Government recognise that accounting for VAT can be a burden on small businesses. That is why we maintain the highest VAT registration threshold in Europe, which increased to £85,000 in April 2017. That keeps more than 3 million of the smallest businesses out of VAT and costs the Exchequer around £2 billion a year. The case for change has been regularly reviewed over the years, and views on the threshold are divided. While some businesses have argued that a higher threshold would reduce administrative burdens, others contend that a lower threshold would provide a fairer competitive environment, and that the current threshold incentivises some businesses just below the threshold to limit their recorded turnover and creates unfair competition between businesses operating above and below the threshold. The Government have therefore asked the Office of Tax Simplification to consider the registration threshold as part of its current review of VAT. The final report is due to be published in early November and we look forward to hearing its recommendations.

I recognise my hon. Friend's concerns about the fairness of business rates, but the Government do not believe there is a case to scrap the system entirely. The objective of business rates is to raise revenue to pay for key local services. The Government concluded a fundamental review of business rates at Budget 2016 and the consensus was to maintain them as a property tax. Respondents agreed that property-based taxes were easy to collect, difficult to avoid and had a clear link with local authority spending.

Some evidence was provided that suggested that changes were taking place in the use of property. A number of hon. Members highlighted the shift away from bricks-and-mortar retailing towards greater online retailing.

[Mel Stride]

However, the overall picture was of changing patterns of use within different sectors, rather than a decline in property use overall. Although increased internet shopping might lead some larger retailers to rationalise their portfolio of physical property, some Members pointed out that that has led to increased demand for retail warehouses, and that new, more leisure-orientated businesses are now occupying traditional retail space on many high streets.

None the less, the Government recognise that business rates represent a high fixed cost for small businesses. That is why, in the 2016 Budget, the then Chancellor introduced an £8.9 billion package of measures providing support for all rate payers. That package included making the 100% small business rate relief permanent and raising the thresholds from April 2017. As a result, 600,000 of the smallest businesses will not pay business rates again. It also included raising the rateable value threshold for the standard multiplier to £51,000 from April 2017, taking a quarter of a million properties, including some high-street shops, out of the higher rate of business rates. All rate payers will also benefit from the switch in indexation from the retail prices index to the main measure of inflation. That represents a cut every year worth £1.1 billion by 2022.

Some small businesses are also eligible for rural rate relief, as has been mentioned. We are looking to revalue properties more frequently, and plan to look more broadly at the way in which we address the perceived unfairness of companies that operate in bricks and mortar being effectively treated differently from those that do not.

Finally, I turn briefly to Making Tax Digital, which represents a major step towards the Government's objective of helping businesses to get their tax right first time. It is, however, a big change, and although it has received broad support, some stakeholders have voiced concern about the scale and pace of change. The Government have listened carefully to those concerns. In July, I announced significant changes to the scope and timetable for Making Tax Digital.

Businesses will not now be mandated to join Making Tax Digital until April 2019, and then only to meet their VAT obligations. Businesses with turnover below the VAT threshold will be able to choose whether to take

part. The scope of MTD will not be widened before the changes are shown to work, and not before 2020 at the earliest. No business will have to file VAT returns more frequently than it does currently. Approximately 3 million small businesses that would have been mandated will have the flexibility of joining MTD at their own pace. I am confident that many businesses will recognise the benefits of a streamlined digital experience and will choose to do so.

Once again, I thank everyone for taking part in this important debate, particularly my hon. Friend the Member for St Ives. It has given us the opportunity to demonstrate the Government's commitment to backing business wholeheartedly, as we will do going forward.

Ms Nadine Dorries (in the Chair): Mr Thomas, is there anything you want to say to wind up?

3.41 pm

Derek Thomas: Unquestionably, since 2010 the Government have taken action to support small businesses and stimulate local economic growth. I am glad that the debate has provided an opportunity to remind the House of those measures. I am also glad that we have been able to discuss the introduction of positive employee support, such as the national living wage and auto-enrolment.

We are united in our desire to ensure that Great Britain remains open for business. Our desire is to make Great Britain a great place to run businesses, which is why my plea, on behalf of rural areas that are largely populated by small businesses, is to reform how we tax them. I thank everyone who took part in the debate. I apologise to the shadow Minister for what seemed to be quite an uncomfortable experience for him.

As we have heard, the business rate charge is hurting many independent small businesses. It is time to install some fairness into business taxation. I maintain that a tax system that reflects the activity of the business, rather than the building from which it operates, has to be fairer.

Question put and agreed to.

Resolved,

That this House has considered the effect of taxes on small businesses.

3.42 pm

Sitting suspended.

Capital Funding: New Hospital in Harlow

[MR GEORGE HOWARTH *in the Chair*]

4 pm

Robert Halfon (Harlow) (Con): I beg to move,

That this House has considered capital funding for a new hospital in Harlow.

It is a pleasure to serve under your chairmanship, Mr Howarth, and I am grateful to Mr Speaker for allowing this debate. The Princess Alexandra Hospital was completed in 1966 to provide acute hospital and specialist services for around 350,000 people living in Harlow and the surrounding areas. Alongside others, I have been working hard for Harlow residents to improve healthcare services, so that they are fit for the 21st century. I have worked to secure extra funding and more doctors and nurses for our hospital, and the new leadership team work tirelessly to do everything possible to improve performance.

However, only so much can be done at the hospital as it stands. The infrastructure is deteriorating. The accident and emergency services are overstretched and staff retention remains a serious problem. It is for these reasons that I am putting forward the case for capital funding for a new health campus in Harlow, bringing together accident and emergency services, GP provision, social care, physiotherapy and a new ambulance hub—bringing healthcare in Harlow into the 21st century.

The Princess Alexandra Hospital is in special measures. It was judged as inadequate overall by the Care Quality Commission in 2016. It is important to note, however, that maternity and gynaecology were rated outstanding at the inspection. Day in, day out, a huge amount of remarkable work is done by the hospital leadership, the hospital's chief executive Lance McCarthy, and above all the doctors, nurses and auxiliary staff, to provide the very best care they can.

I take this opportunity to thank and praise the health trade unions, led by people such as Councillor Tony Durcan from the nurses' union, and Councillor Waida Forman and Daniella Pritchard from Unison, whose only aim, whatever our occasional political differences, is to improve the quality of hospital care and the services for their members. Much of this improvement work has been noted by the CQC. Its report, however, outlined various remaining concerns, from staff shortages to deteriorating mortuary fridges, some of which were no longer fit for purpose and were ordered to be repaired during the inspection.

This leads me to my first and most pressing concern. The Princess Alexandra Hospital is not fit for purpose. It is unable to provide healthcare fit for the 21st century and Harlow and the wider area. According to the CQC report in 2016:

"The environment was one of the top risks for the trust. The estate was aged and in need of repairs costing tens of millions".

Much of the hospital is original and therefore over 50 years old. It has exceeded its useful life and much of the infrastructure is in a state of permanent decline. In addition to the original hospital built in the 1960s, a number of temporary structures have been added, many

of which have now surpassed their 10 to 15-year lifespan. That creates a complicated design, with urgent care spread across the site.

A 2013 survey rated 56% of the hospital's estate as unacceptable or below for its quality and physical condition, which puts the capacity of the hospital to care for those in need at serious risk. That becomes strikingly clear when we read and hear reports of sewage and rainwater flowing into the operating theatres.

The doctors, nurses, management team and support staff at the Princess Alexandra Hospital work so hard, every single day, but their working lives are made so much harder by the hospital's deteriorating facilities. In addition to the ageing infrastructure, the services are under increasing pressure to provide care to residents in Harlow and the surrounding area. Changes to other local facilities have placed additional pressures on the trust's capacity, resulting in occupancy levels running higher than 96%. That means that the Princess Alexandra is not only fundamental to the health and wellbeing of the growing Harlow population, but to a wider area, including parts of Hertfordshire and Epping Forest—it is very good to have my hon. Friend the Member for Hertford and Stortford (Mr Prisk) in the Chamber to ensure we get good health services in our area.

Mr Mark Prisk (Hertford and Stortford) (Con): I congratulate my right hon. Friend and parliamentary neighbour on securing this important debate. Does he agree with me that in my constituency and his, ever since the previous Labour Government scrapped their plans for a new hospital at Hatfield, there has been a sense locally that somehow our area has been ignored for capital investment, and that is why his proposal is so sensible?

Robert Halfon: As usual, my hon. Friend makes a powerful point. I will come on to how changes in nearby hospitals have had a significant effect on the Princess Alexandra Hospital.

The emergency department in particular suffers. As the CQC reported last year:

"Long waits in the emergency department and capacity issues in the wards meant that patients were not always seen in a timely manner, with many patients in the emergency department breaching four hour and 12-hour targets."

As I understand it, we have the highest A&E use of any hospital in England. The department struggles to deliver the national four-hour standard, achieving 72% for 2016-17. Having said that, the A&E department saw 10,628 more people in less than four hours last year than it did in 2009-10. This improvement is astonishing when considered against the changes to the nearby emergency departments and with attendance rates at the Princess Alexandra Hospital being 10% higher than the national average, at around 200 to 300 visitors per day.

Chase Farm Hospital near Enfield became an urgent care centre in 2013. The same happened at the Queen Elizabeth II Hospital near Welwyn Garden City in 2014. Urgent care centres only deal with minor injuries, while the Princess Alexandra Hospital deals with those plus major injuries, including life-threatening chest pains and head injuries. All major injuries and illnesses have been dispersed to surrounding emergency departments, and attendance at the Princess Alexandra Hospital has risen consistently.

Lucy Allan (Telford) (Con): My right hon. Friend is making an excellent and passionate speech about the needs of his community—a new town, just like mine. He is setting out the problems of decaying infrastructure against a backdrop of increasing population. Does he agree that, as new town MPs, we should be championing our hospitals at all times? They are the centre of our communities and cement our identity. Hospitals are something people are deeply attached to and they form so much of what the town is, whether it is the Princess Alexandra or the Princess Royal in Telford.

Robert Halfon: My hon. Friend has set up the all-party parliamentary group on new towns, of which she is the chair and I am pleased to be vice-chairman. We set it up because we have many of the same problems. Our towns were built at the same time and we have the same issues, whether it is to do with our hospitals or regenerating housing and our high streets. I thank her for the work she does on this and the way she represents her new town and her constituents in Telford.

As I was about to say, the hospital secured £1.95 million of emergency department capital funding in April this year, allowing significant building works to support the department's work, including the expansion of the medical assessments base. That is coupled with an A&E-focused recruitment drive to take advantage of the new facilities.

That leads me on to staff recruitment and retention. While Harlow hospital now has 27 more doctors and 35 more nurses than in 2010, the vacancy rate in recruitment is a perpetual worry. The nurse vacancy rate for September stood at 25%. Staff vacancy rates were picked up in the CQC report in 2016, in which inspectors found that

“staff shortages meant that wards were struggling to cope with the numbers of patients and that staff were moved from one ward to cover staff shortages on others.”

The proximity of Princess Alexandra Hospital to London plays a major role and, although pay weighting is a factor, I have been told by the hospital leadership and Harlow Council's chief executive, Malcolm Morley, who is in Parliament today, that career development is significant. Princess Alexandra Hospital must compete with Barts and University College Hospital in specialist training and career development. The retention support programme established career clinics and clear career pathways, but there is only so much that the hospital can do to compete with the huge investment and facilities at London hospitals. Harlow needs to be able to recruit and retain staff. Recruitment is related partly to the future of the hospital itself and partly to the staff's ability to develop their careers in Harlow. Of course, both factors relate to the hospital's infrastructure.

I have tried to make sure that our NHS in Harlow is a top priority for the Government, and I have had many meetings with the Health Secretary and the hospitals Minister. I am pleased to say that they have visited our hospital a number of times, most recently in May, when the Health Secretary visited the Princess Alexandra Hospital to speak to the hospital leadership team about Harlow's case for a new hospital. He spoke of

“the exciting proposals which are coming together to invest capital in upgrading these facilities, including the option of a brand new hospital.”

He also stated:

“These proposals are at an early stage but upgrading services on this important site will be a priority for a Conservative government”.

Following capital funding announcements for sustainability and transformation partnerships in July, I was informed that

“Princess Alexandra Hospital is still a real priority”

for the Department of Health

“and work is ongoing to take it forward”,

and that the Government are “on hand” to carry on helping to get the Princess Alexandra bid together. Given that the Health Secretary said that Princess Alexandra Hospital is a priority case, will the Minister say what the current budget is for capital funding and how it will be allocated to new hospitals, such as Harlow?

In autumn 2016, the Secretary of State requested that the PAH board, the local clinical commissioning group and local authority partners progress a strategic outline case. After considering a number of options,

“the SOC concluded that a new hospital on a green field site, potentially as part of a broader health campus, to be the most affordable solution for the local system”—

note the expression “most affordable”—

“and the solution that would deliver most benefit to our population.”

The health campus would bring together all the services required to ensure that healthcare in Harlow is fit for the 21st century: emergency and GP services, physio, social care, a new ambulance hub, a centre for nursing and healthcare training.

Having recently met the chief executive of the East of England Ambulance Service, I know that there has been a significant increase in the number of calls from critical patients who need a fast response. Harlow has four new ambulances but the development of a top-class ambulance hub would allow huge improvements in that area. The health campus could also act as a centre for degree apprenticeships in nursing and healthcare, bringing specialist training to the eastern region. It could build on strong links between the Princess Alexandra Hospital and Harlow College and capitalise on the new Anglia Ruskin MedTech innovation centre at the Harlow enterprise zone.

The health campus proposal has been supported by West Essex CCG, the East and North Hertfordshire CCG and the Hertfordshire and West Essex STP, which brings together 13 local bodies and hospital trusts. A joint letter has been signed by more than 10 councils, including Harlow Council, Epping Forest District Council, Essex County Council and the Greater London Authority.

Despite recognition from local authorities and Ministers alike, some NHS England officials—I stress the word “some”—suggest that a refurbishment would be more fitting than the development of a brand-new hospital, due to capital funding constraints. That solution is the equivalent of an Elastoplast—a short-term option that will do nothing to solve real, long-term problems.

Given the support from the Government and key organisations, we need to be sure that plans for a new hospital are not obstructed. Will the Minister give an assurance that NHS England and NHS Improvement will work positively with public, private and voluntary sector partners to progress the plans? A rapid strategic solution is needed, rather than a short-term fix.

The cost of the new campus model would be between £280 million and £490 million, depending on the type and preferred method of funding. The hospital leadership is looking at all the options to maximise public sector

investment and bring together the public, private and voluntary sectors. Private investment will not involve any kind of private finance initiative contract. Instead, the leadership will focus on how the private sector works with the NHS and how the development can generate revenue flows through social care, for example. The development also raises the potential development of housing as a source of income and private investment. These are decisions for the future. When the PAH leadership looks at private investment, it will consider supported housing and similar options.

Moreover, Public Health England's move to Harlow will create a world-class health science hub. Without exaggeration, once Public Health England has completed its move, Harlow will be the health science capital of the world, Atlanta aside. We must ensure that the Princess Alexandra Hospital is an important partner that benefits from and adds to that success. The creation of a health campus is vital not only for Harlow but for the surrounding area. The infrastructure of the campus would be fundamental to the vitality of the community and the economy of the entire region that the Princess Alexandra serves.

I have visited the Princess Alexandra Hospital many times. I defy the Minister to find more professional and dedicated staff, doctors and nurses. They work day and night to look after the people of Harlow and the surrounding area. I have seen the incredible work in A&E, intensive care and the maternity and children's units. That is why I know that PAH staff are second to none. However, their professionalism and hard work will go to waste unless our hospital is fit for purpose. I know that the Secretary of State recognises that, given his numerous visits to the hospital and what he has said since. I know that the Minister himself recognises that, given his visit to the hospital this time last year. I know that all the key local authorities, neighbouring MPs and trusts are supportive. I urge the Minister to do everything possible to ensure that Harlow has a hospital that is fit for the 21st century.

Mr George Howarth (in the Chair): Before I call Mark Prisk, he needs to be aware that adequate time must be allowed for the Minister to respond. If he does not appear to be finishing his speech in a timely manner, as I am sure he will, I will intervene to bring in the Minister.

4.17 pm

Mr Mark Prisk (Hertford and Stortford) (Con): Thank you for your guidance, Mr Howarth. I will do my best—the best a politician ever can do—to be brief.

First, may I say a huge congratulations to my parliamentary neighbour, my right hon. Friend the Member for Harlow (Robert Halfon)? He and I have worked together on a number of projects. I want to make the point to the Minister that this issue is of real concern to many of us, not just in Harlow, important though that is, but in east Hertfordshire. I mentioned the problems in years past in Welwyn Hatfield. There is genuine concern that our area as a whole has been denuded of capital investment. Given its growing population, which I will come to, that cannot continue. Importantly, there is a partnership in Harlow and its neighbouring areas among the health services, local government and communities.

My right hon. Friend is absolutely right to point out that the current buildings and facilities are ageing and inadequate. Although there are clearly practical operational challenges around the recent CQC report, it underlines a point that his speech brought out really well: given their state, the buildings and facilities are frankly no longer fit for purpose. We have all recognised that for some years, and I hope that the Department will recognise it too, in respect of both immediate and longer-term capital.

My right hon. Friend rightly pointed out that some have said, “Well, let's tart it up—let's refurbish the existing buildings.” I speak partly as a chartered surveyor. I have been around those buildings on many occasions and spoken to patients and staff. It is clear to me that, on that very constrained site, refurbishment is not practical. Indeed, it could prove very poor value for money for the Minister.

Let me come to my third and final point, which is to look ahead. My right hon. Friend rightly pointed out that this is an opportunity, but I say to the Minister that we have a rapidly growing population. Indeed, the elderly population is growing even more rapidly. In my constituency, the growth in the population of those aged 65 and over is three times greater than that of the rest. I therefore ask him to think about the present and to support the changes as strongly as he can.

4.20 pm

The Minister of State, Department of Health (Mr Philip Dunne): It is a pleasure to serve under your chairmanship, Mr Howarth. You have chaired the debate admirably in allowing my hon. Friend the Member for Hertford and Stortford (Mr Prisk) to get in to support my right hon. Friend the Member for Harlow (Robert Halfon) in his excellent speech, which was both concise and heartfelt.

I visited the hospital with my right hon. Friend a year ago, shortly after the trust went into special measures. I share his view about the commitment of the staff, which was evident to us on that occasion, at a time when, it would be fair to say, there was a state of some unease, the trust having just gone into a special measures regime. In part, we were there to reassure them that it could be a learning process from which they could improve the services offered to their patients, notwithstanding the challenges presented by the consequences of the CQC report.

My right hon. Friend is a consistent and persistent champion for his area and for this project, which has been in germination for some time. It is timely that he should bring it to the House's attention; I will go on to explain why. I may not be able to satisfy him completely on the questions he has put to me, but I will do my best.

The Princess Alexandra Hospital faces many issues with its estate, as is evident to anyone who visits the site. My right hon. Friend has explained that it has an aged infrastructure and a strong reliance on temporary buildings—it has “sub-optimal clinical adjacencies”, which is the civil service phrase for bits of activity dotted around the place in an unco-ordinated way—much of which is in a fragile condition. There are also capacity challenges posed by the growing demand that he referred to from a combination of demographics and increases in housing, which are happening all around him. That is a shared picture recognised by the Department and the local NHS.

[Mr Philip Dunne]

Any service change that might come to the Princess Alexandra Hospital is primarily a matter for the local health authorities. They recognise that and therefore have come up with various proposals. As my right hon. Friend would expect, any proposed changes that are pursued will be subject to the usual procedures and public consultation.

My right hon. Friend pointed out that the local NHS trust looked at five options for a potential redevelopment of the Princess Alexandra Hospital. The strategic case for change concluded that a new hospital on a greenfield site would be not only the most affordable solution but the one that would deliver the most benefit for the local population. West Essex CCG, as lead commissioner for services provided by the Princess Alexandra Hospital NHS Trust, supports that proposal.

Harlow is due to undergo significant economic and residential housing growth in the next 10 years. I am pleased that my right hon. Friend referred to the contribution that Public Health England will be making to that: it remains our ambition to create a world-class health life sciences facility in his constituency. I understand that as part of the potential development of some 10,000 homes in the Gilston area to the north of Harlow, there is the possibility of a new junction for the M11. That gives rise to potential greenfield sites and the opportunity for significant planning gain. That will be available to the local authority as it considers assisting with the financing of any scheme. That puts the proposition in a somewhat unusual light in relation to other competing claims for capital on the NHS.

Before I return to the central issue of capital raised by my right hon. Friend, I will touch on the special measures regime, which the hospital has been in since October last year, following a CQC report that rated the trust as “inadequate” overall. He identified the new management and since we visited, the trust has got a new improvement director in post. I think the new chair was in post when we visited, and he has recently recruited a new chief executive with whom he worked in a previous trust to drive through turnaround improvement. They are individuals in whom the Department has considerable confidence. It is good to hear that much of that improvement work is starting to come through.

A multidisciplinary transformation team called “quality first” has been established, which aims to drive through quality improvement and service reconfiguration across the hospital. Peer reviews are taking place on a two-weekly basis, which are being fed down to departments and wards within the hospital to drive improvement from

the bedside. The most recent external peer review was conducted in June and helped to highlight areas of focus to assist the trust in its journey out of special measures status.

A consequence of that work is that there is now compliance at the trust with referral-to-treatment waiting times, which is not universal across the NHS at the moment—would that it were. It is also meeting cancer standards and ensuring that cancelled operations are rebooked within 28 days. That is positive concrete evidence of progress coming through the regime. There have also been improvements in critical care and end-of-life care since the CQC inspection. The trust has developed and launched a framework for a five-year plan, “Your future, our hospital,” and is currently preparing for its next CQC inspection, which will take place next month. We will all look at the outcome of that with great interest.

To return to the core question of capital, my right hon. Friend is right to identify the emergence of Department funding from which Harlow benefited: waves 1 and 2 of the current £100-million A&E pot. There is a bid in train for the final tranche of that funding. We will see whether or not that succeeds, but, certainly off the top of my head, I think Harlow has achieved more than any other trust in securing capital to help improve the situation in its emergency department.

More significantly, the trust has submitted additional capital bids to cover funding for other ancillary aspects of improving care in the hospital: a second maternity theatre, urgent estates infrastructure work and strategic estates transformation. All capital funding bids have to follow the same course as those of any other trust in the country. As a result, I am not in a position to confirm the trust’s prospects for success in this competitive round. The timeliness of the debate is that all STP areas have submitted bids for the next round of capital funding. I confirm that a proposal has gone in for Princess Alexandra. We await the Budget this autumn to see whether the Chancellor will allocate phase 2 capital for STP transformation. He indicated in March that he was intent to do so, so we are hopeful that that will occur. The extent to which there is capital available to support very significant projects will depend on how much is made available by the Treasury.

My right hon. Friend has rightly pointed out that this is a high priority for the region, for the county and clearly for the residents of Harlow. I wish him every success in advancing his cause—as he has done so admirably here today—when we see the allocation of that capital following the Budget later this year.

Question put and agreed to.

Women Released from Prison

4.29 pm

Chris Elmore (Ogmore) (Lab): I beg to move,

That this House has considered women released from prison.

It is a pleasure to serve under your chairmanship, Mr Howarth, as I am sure I have said many times. In the UK today, almost 4,000 women are in prison. Although many are serving long, extended sentences worthy of the horrendous crimes they have committed, more than 80% of convictions for women are for non-violent crimes, half of sentences being less than six months. The crimes most commonly committed by women are theft and handling of stolen goods. For many, those are a last resort—a desperate measure to feed a family or fund an addiction. When we consider the consequences of prison for such women, we should ask whether incarceration is the correct response.

After their sentences are served, women leaving prison face inordinate difficulties in readjusting to life. Homelessness is at the core of the problem; on release, six in 10 women do not have a home to go to. Without an address—permanent or temporary—safe and secure employment is near impossible. As a result, fewer than one in 10 women released from a prison sentence of less than 12 months manage to secure a positive employment outcome within a year. For those who struggle to find work, and often for those who find it, social security can be difficult to come by. Without a home, income or a family, the path to reconviction is clear; 45% of women are reconvicted within one year of leaving prison. Many women reoffend to fund a life outside prison, although many will do so aware that life can be easier inside prison.

Such problems for women should force the House to reconsider the use of custodial sentences for low-level crimes. Women—especially those with a history of social and financial difficulties—will often leave prison in a far worse situation than when they entered. Separated from their families, relationships may have broken down, and the resulting pressures can further an issue that was present before the sentence began. These women need help with the initial problem, and support from the state and society to identify and tackle it.

A prison sentence will not in itself reform a woman who only stole in the initial instance to feed her children, nor will it reform a woman with an addiction, be it to alcohol, drugs or gambling. Addiction is an illness, and the crimes committed to fund addictions are a symptom of that illness. Someone suffering from a physical medical condition will be offered treatment to ease their symptoms, but someone suffering from addiction is given a punishment.

Kate Green (Stretford and Urmston) (Lab): I congratulate my hon. Friend on securing this welcome and important debate. Does he also agree that working with people suffering serious addiction issues is unlikely to be effective in the typically short sentences that women experience? A long period of time is needed to work with someone who has deep-seated problems.

Chris Elmore: My hon. Friend is absolutely right. This is part of the wider issue of whether a six-month custodial sentence is acceptable. I am not advocating that we should extend custodial sentences; it is about

rehabilitation being part of that work, rather than a custodial sentence. In fact, she brings me on to my next point very well: a short prison sentence will not fix the problem. It is far more likely to be a catalyst for a downward spiral that will see these women yo-yo between addiction, committing crimes and short prison sentences for the rest of their life.

Ministers say these issues are not exclusive to women. However, decisions made in recent years have created a system that creates difficulties specific to women. The lack of women-only prisons primarily creates issues as it results in women facing sentences far from home. There are only 12 women's prisons across England and Scotland, and none at all in either Wales or Northern Ireland; for Welsh women, the closest facility is in Gloucestershire. Staggeringly, some women in Scotland are placed in female units within male prisons—a trend that looks likely to be adopted across the whole of the UK in future—while women in Northern Ireland are detained in a male youth offenders centre.

At present, more than 17,000 children are separated from their mothers due to imprisonment, fewer than 10% of whom are being cared for by their fathers. Distance makes visiting difficult at best and impossible at worst, which has a harmful effect on the children's welfare. Upon release, women may face further difficulties when a lack of local provision means they are again located 100 miles or more from their families. For some women and men, living in an approved property is a condition of their release on licence. These approved properties are single-sex establishments, and while there are 94 locations across England and Wales for men, including several in London, there are only six for women. They are in Bedford, Birmingham, Leeds, Liverpool, Preston and Reading; none of them are in London and, once again, none are in Wales.

Again women are forced to be away from everything familiar to them. They may be out of the physical prison building, but they are still prisoners of circumstance, separated from their families and communities and expected to reintegrate into a society that is unfamiliar to them. The Government should provide suitable facilities and sufficient support care for those vulnerable women on their release from prison. In my opinion, the Government are at present failing to do so.

In May 2017, a woman from London brought a case against the Secretary of State for Justice after she was forced to relocate to Bedford on her release from prison. She appealed on the grounds that the distribution of approved properties was unlawful sex discrimination against women. In a landmark ruling, the Supreme Court upheld her appeal and found that the Government were indeed discriminating against women on their release from prison. That was five months ago. Disappointingly, there was no response from the Government and no action was taken. It is my understanding that that is still the case today; perhaps the Minister will look at that specific point.

Women leaving prison will always face some difficulty in readjusting, but the complexities they face under this Government are not necessary. It is neither right nor inevitable that women, on their release from prison, should be left homeless and destitute. It is not right that they should be deprived of safe and secure employment, access to social security and support, and it is not right that, by virtue of the Government's neglect of facilities,

[Chris Elmore]

they are forced into communities hundreds of miles from their families. I hope that the Government will consider the difficulties faced by women leaving prison, and that they will act to ensure an easier transition from custody to society, free from homelessness, poverty and reconviction.

4.36 pm

Kate Green (Stretford and Urmston) (Lab): It is a great pleasure to contribute to the debate and to serve under your chairmanship, Mr Howarth. I am pleased that we are having the debate, as I have a long-standing interest in the experience of women in the penal system. I thank the many organisations that have supported me both for this debate and over a number of years, including Agenda, the Prison Reform Trust and the Howard League for Penal Reform, as well as Women in Prison, and which give us excellent briefings and information.

The title of this debate is about women leaving prison but, like my hon. Friend the Member for Ogmire (Chris Elmore), I will first talk about women going into prison. Alarming, the number of women in prison exceeded 4,000 for the first time in July 2017. As we know, the experience of women in prison is generally not a good one: 16 women died in custody in 2015-16 and there have been 18 suicides in 2016 and 2017 so far. That is 14 more than in the previous eight years put together. As we heard from my hon. Friend, many women who have a period in custody face losing their home and their children as a result of incarceration. We know that many also suffer mental health difficulties, which time in prison may exacerbate.

An increase in the number of women going into prison troubles me—especially to the extent that it reflects a perverse consequence of the Transforming Rehabilitation programme. I think it is a commonly understood problem that that programme is leading to a rise in the number of women being recalled to prison. The number of women recalled to custody following their release has increased by 68% since the end of 2014, according to analysis by the Prison Reform Trust. The number of those with a sentence of less than 12 months returned to custody after licence recall was 14.6 times higher in the first quarter of this year than in the first quarter of 2015. The numbers in the first quarter of 2017 were 220 women, compared with just 15 women two years before.

As my hon. Friend the Member for Ogmire said, despite the intentions of Transforming Rehabilitation to reduce reoffending, women are increasingly going round and round in a revolving door. We need to do better, both to keep women out of custody and to prevent them from returning to custody following release from a period in prison.

There may be a number of reasons for the high rate of recall, but one that alarms me is that the through-the-gate support that was envisaged to be provided by dedicated case managers in Transforming Rehabilitation is not yet properly in place. Nor are all community rehabilitation companies offering genuinely gender-specific programmes. My first question to the Minister is: will he review how Transforming Rehabilitation is working and the role of community rehabilitation companies in preparing women for and supporting them on release?

I am concerned that the Transforming Rehabilitation model means that the provision that should be in place for women completing custodial sentences is fragmented. The majority of women, most of whom commit less serious crimes, are likely to fall under the auspices of the community rehabilitation companies, with only a small number of women deemed high risk being supervised by the national probation service.

I understand the risk model that underpins Transforming Rehabilitation. I do not entirely agree with the model and am not convinced that it is viable, but I understand what the Government say it should look like. However, the number of women prisoners referred to the national probation service will be so infinitesimally small in the scheme of things that it is difficult to see how gender-sensitive models can be devised by the NPS for this very small group of very vulnerable women.

One suggestion I would like to put to the Minister is that all women leaving custody should be supervised by the CRCs, not the national probation service. Will he investigate that suggestion and make an assessment of the risk implications of doing so? Those risks could be mitigated, or indeed more than balanced out, by improving access to dedicated gender-sensitive support focused in the CRCs and available to all women.

I am sure the Minister will be well aware of the whole-system approach we have been trialling in Greater Manchester, where my constituency is. I very much commend that approach to him. The programme aims to embed integrated gender-responsive support services for women at three points in the criminal justice system—on arrest, sentencing and release from prison. Nine women's centres in Greater Manchester provide support hubs for women referred via a range of routes. The services they offer are very much appreciated by the women who access them. I visited my own women's centre and can absolutely vouch for how the women feel about them and the positive experience they have. They welcome the opportunity to be in a women-only safe space.

The 2015 evaluation of the whole-system approach carried out by Sheffield Hallam and Manchester Metropolitan universities found that service users had revealed a strong sense of despair, hopelessness and isolation prior to engaging with the support on offer at the women's centre. Once they had that engagement, it gave them a sense of purpose and a structure to their day. It gave them aspirations for the future in terms of volunteering and employment opportunities and led to improvements in health and opportunities to re-engage with their children and families. The development of that positive sense of self is really necessary in improving wellbeing and reducing the isolation and lack of confidence that often lead women to offend and take them to a crisis point where criminal behaviour may result.

Particularly notable in the research and the service users' own accounts was the fact that such intensive and tailored support was not available to them before their engagement with the women's centres. Providing a more efficient service with less duplication and burden on statutory agencies was also reported to be a perceived benefit of the approach. Women's centres were said to be places women could turn to and could be linked to other organisations in the community that could help them, which is important, given that the statutory agencies

with which women are involved may not be aware of or not have time to make links with one another and offer all sources of support.

I of course acknowledge that the internal alliance between different statutory and voluntary agencies has improved the sharing of good practice and facilitated some of the pathways, but there are concerns. Some have expressed concerns that innovation will be squeezed out as the pathways become more standardised. Not all referral routes appear to be working fully effectively to refer women into the women's centre provision. As I say, through-the-gate referrals have been particularly disappointing, perhaps because of the lack of dedicated through-the-gate case managers.

Women themselves may not know of or understand the support they could obtain from the women's centres and be doubtful about it. When I visited Styal Prison recently, women peer mentors in the prison suggested that they should be able to liaise between the prison and women's centres to encourage women coming up to completion of their custodial sentences to move on to use the women's centre facilities.

However, the most crucial problem—it will come as no surprise to anybody in the room—is uncertainty about funding. Indeed, that applies to not only the whole-system approach in Greater Manchester, but women's centres up and down the country.

May I make a suggestion to the Minister? I am not optimistic, but I keep suggesting this in the hope that one day a Minister will agree with me. I suggest, on the 10th anniversary of the seminal Corston report, which suggested that women should serve their sentences in community settings, that rather than money being put into new community prisons, which as far as I can tell are prisons in all but name, that money could be better directed at supporting women's centres and rehabilitation programmes in the community. More women could be reached. They could be supported to remain at home, to care for their children and to work if they were able to do so. As we know, those are all important factors in reducing reoffending and costs to the public purse. Instead, precarious funding of community provision is exacerbated by cuts to other services, such as mental health services, and to the benefits on which women leaving prison will rely.

Housing is a particular issue. The Prison Reform Trust says that, as we have heard, 60% of women prisoners do not have homes to go to on release. I draw the Minister's attention particularly to the following problem, which I heard about in Styal. A woman who had served a custodial sentence, who had a history of offending behaviour and addiction and had been treated as having made herself intentionally homeless by her housing authority before going into custody, was not able to point to the successful programme of rehabilitation that she had undertaken in prison in order to have her housing application treated differently on release. Would the Minister, with Department for Communities and Local Government colleagues, look into that?

I am conscious that you want me to move on, Mr Howarth, so I will make just two final points. The first is on universal credit, which we are debating in the main Chamber this afternoon. The prisons tell me that they cannot start a woman's application for universal credit in advance of her release. That means that women often leave prison with just £47 to their name and a

six-week wait. I hope the Minister will talk to his colleagues in the Department for Work and Pensions about whether it might be possible to start the application process for universal credit in the prison ahead of the release date.

Finally, I emphasise the importance of family contact, particularly contact with children, which we all know is also a very important factor in helping to reduce offending and reoffending. My final example on that is that on my recent visit to Styal, I met an EU national whose daughter was suffering very severe health problems, having just given birth. The grandmother was deemed low risk by the prison, no longer had her passport and, with a new grandchild, was very unlikely to abscond, yet she could not be granted a family resettlement visit, which would have enabled her to go to her daughter and provide the family with some support.

I hope the Minister will pick up some of the quite detailed but practical points that I have raised, because we all share the common goal of reducing the number of women in custody and helping them to be rehabilitated in the community.

Mr George Howarth (in the Chair): Order.

Kate Green: I apologise, Mr Howarth.

Mr George Howarth (in the Chair): Three further people wish to speak. If they all take longer than the Minister gets to wind up the debate, I will not be able to get them in.

4.47 pm

Carolyn Harris (Swansea East) (Lab): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate my hon. Friend the Member for Ogmore (Chris Elmore) on securing this important debate.

With nearly 50% of the women serving time in prison having experienced some form of abuse, be it physical, emotional or sexual, surely we should be putting more resources into supporting and counselling them than punishing them with prison sentences. Ten years ago, Baroness Corston published her "Review of Women with Particular Vulnerabilities in the Criminal Justice System". In it, she talked about the very things that we are talking about here today: the chaos and disruption experienced by families; the disproportionate and inappropriate sentences that women face for minor non-violent offences; and the victims of violence, sexual abuse and childhood neglect who end up in prison because of lack of support.

At the time of writing her report, Baroness Corston called for a fundamental rethink. She addressed the need to consider the issues connected with women offenders before considering imprisonment as a serious option. When we read through the recommendations, we realise that the review could easily have been written 10 weeks rather than 10 years ago, because very little has changed. Women are still being imprisoned without consideration of whether that is the best solution and are still coming out of prison without the necessary support and facilitation to help them to reintegrate into the community.

In recent months, I have visited prisons and met too many women who have been appallingly let down by the welfare and judicial systems in this country—women who have been punished when they should have

[Carolyn Harris]

been supported. In my own city of Swansea, I spent two weeks during the summer recess talking to women who for whatever reason had served time in prison, and too many of those had suffered as a result of their time in prison. I heard harrowing stories that rendered me speechless; I desperately want to help these women. Yes, they committed crimes—they have never disputed that—but their punishment far outweighs the level of criminality. Prison sentences are harsh, but the subsequent loss of their home and, very often, their children is bitterly unfair.

Almost 4,000 women are in UK prisons, but only two are serving whole-life sentences: Rosemary West and Joanna Dennehy. For the vast majority of women in prison, there is life after prison, but there is a lack of support for them. The struggle they face on release is a grave concern. Housing is a huge problem: almost two thirds of women leaving prison will not have anywhere to live. Women released on the condition that they live in approved properties have the added difficulty of integrating into an unfamiliar community that is often hundreds of miles away from their family and loved ones.

Women who have served prison sentences often struggle to find work, and 90% are still unemployed a year after being released—a much higher figure than for men in the same position. All too often, money is tight and they find themselves reoffending because they cannot afford not to. I met a woman who had to sell her body to pay for a hotel room for the night. That should not be happening in modern society.

Too many women's and children's lives are being destroyed because of the judicial and rehabilitation system in this country. Women are sent to prison because there are no more suitable alternatives. When they are released—often after a very short time—they are homeless, unemployable and desperate ex-offenders with no support and little option but to reoffend to survive. These women need the Government to radically overhaul the support and the facilities available to aid their transition back into the community. They need help with housing, employment and social wellbeing to ensure that their lives do not become a vicious circle of reoffending, old mistakes and ruined futures.

4.52 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for Ogmere (Chris Elmore) on securing this debate and succinctly setting the scene. I congratulate the hon. Members for Stretford and Urmston (Kate Green) and for Swansea East (Carolyn Harris) on their contributions as well.

Many prison officers in my constituency have told me that things need to change in relation to women released from prison. The hon. Member for Ogmere referred to Northern Ireland, where ladies have a section in the dual prison for men and women. I understand that the Minister will talk specifically about England and Wales, and I will comment on the policies there.

The statistics about women in prison somewhat surprised me when I read them. The Library debate pack states:

"There were 6,442 women admitted to prison in England and Wales after receiving an immediate custodial sentence in 2016/17. 40% were admitted for Theft offences, 19% for Summary non-motoring offences and 10% for Miscellaneous crimes against

society... Of the 6,495 women sentenced admissions to prison in England and Wales in 2016/17, 4,035 (62%) were there to serve a sentence of less than or equal to six months".

The statistics add the facts to the case that hon. Members have already made, and that other hon. Members will make. The debate pack also states:

"Of the 6,669 women released from prison in England and Wales in 2016/17, 63% had been serving determinate sentences of less than or equal to 6 months... Between October 2014 and September 2015 around 84,277 women offenders were cautioned, received a non-custodial conviction at court or released from custody in England and Wales. Around 15,662 of these offenders committed a proven re-offence within a year. This gives an overall proven reoffending rate of 18.6%".

That is less than the rate for men, which was almost 25% in 2014-15, but still indicates that something needs to be done differently. Other hon. Members have indicated in their constructive and helpful comments—we are not here to criticise, but to be constructive—some of the changes that they would like to be made.

I was interested to read the following in the debate pack:

"In September 2015 the National Offender Management Service (NOMS) published Better Outcomes for Women Offenders, its commissioning principles for women offenders."

Those principles, which I agree with, are based on seven identified priority needs. The first is substance misuse, a malady and a difficulty that many people are subject to:

"Stabilise and address individual need, in particular address class A drug use, binge and chronic drinking."

As hon. Members have pointed out, if we do not address substance misuse in prison and follow up on it afterwards, we will not be doing anything to solve the problem or help.

The second identified priority need is mental health, which I have a particular interest in and have often spoken about in the House because it is so important:

"Expedite access to services that address mental health need, in particular anxiety and depression, personality disorder, post-traumatic stress disorder, and trauma."

Many women in prison have needs that fall into those categories. We can try to assist them while they are doing their time, but where is the follow-up once they get out? Without it, anxiety, depression and other problems with personal circumstances will take over.

The third identified priority need is emotion management:

"Help women to build skills to control impulsive behaviour and destructive emotions."

Again, we can give some help in prison, but we need the follow-up afterwards. Teaching anger management and self-control can help to change lives. It is not about dictating change, but helping people to create it within themselves.

The fourth identified priority need is a pro-social identity:

"Be positive towards, about, and around women, and encourage them to help and be positive towards others."

If we always tell people off and do them down, they can never lift themselves up. It is important for society to give people who have made terrible mistakes and ended up in prison the chance to rebuild their lives.

The fifth identified priority need is being in control of daily life and having goals:

"Motivate women to believe that they belong and fit in to mainstream society, where they can work to achieve their goals."

We need to encourage them, be positive and give them employment and training opportunities and a chance to be part of society and move forward.

The sixth identified priority need is to improve family contact:

“Help women to build healthy and supportive family relationships, especially with the children.”

The hon. Member for Stretford and Urmston also referred to family contact. Family can help people so much to cope with life.

The final priority need is to resettle and build social capital:

“Help women to find somewhere safe to live, to learn how to manage their money, access education, and improve their employability.”

All these things tie into giving people a second chance and making sure that they can be part of society. Sending people back where they lived before sometimes means sending them back to the same problems, so in some cases they may need to go somewhere different.

I look to the Minister for a positive response. I feel that we are missing the targets that we should be aiming for. How does he intend to address and implement the changes to help to rehabilitate offenders and secure family units with a mother at home who is aware of how she can do things differently, with plenty of the support that is so necessary?

Several hon. Members *rose*—

Mr George Howarth (in the Chair): Order. I shall call the first Front-Bench speaker at 5.09 pm, in order to give the mover of the motion time for a brief response at the end.

4.59 pm

Dr Paul Williams (Stockton South) (Lab): It is an honour to serve under your chairmanship, Mr Howarth. I congratulate my hon. Friend the Member for Ogmores (Chris Elmore) on securing this important debate.

At Justice questions in September, the prisons Minister, the hon. Member for East Surrey (Mr Gyimah), told me that,

“the Government have a duty of care to everyone we hold in custody.”—[*Official Report*, 5 September 2017; Vol. 628, c. 21.]

I wholeheartedly agree. Yet the loss of 316 lives in our prison system last year, which my hon. Friend the Member for Stretford and Urmston (Kate Green) referred to, shows that too often that duty of care is not being met, and that our prisons are sometimes not fit for purpose.

Deaths in custody lead to the headlines when we talk about health and wellbeing in prisons, but when we read between the lines we discover a more startling picture of the fragile state of healthcare within the prison estate. Women in custody are five times more likely to have a mental health concern than women in the general population, 46% of them reporting having attempted suicide at some point. Also, in some prisons around half of healthcare appointments are being missed due to a lack of prisoner escorts.

Last week, in the main Chamber, I spoke of the difficulties of accessing services when someone has no fixed abode; the same can often be said of women

leaving prison. At least four in 10 women leave the justice system having no accommodation arranged for their release, and having no accommodation often leaves these women facing difficulty in finding employment, a battle to gain local authority help and support, and even a struggle to do something as simple as to obtain a mobile phone.

I know from my experience as a GP that many women leaving custody find themselves alone and destitute, with no support networks in place. Due to the lack of transitional support, I myself have even had to resort to funding overnight accommodation for those left homeless upon release from prison, so that they do not have to risk their life by sleeping rough.

It does not have to be that way. Prisons literally present us with a captive audience and a host of opportunities to help people to transition back into society. If instead of locking up women as a punishment we invested in unlocking their potential, we would have more of these women out of custody long-term, we would have more mothers back with their children and—crucially—we would have more women contributing to our economy instead of contributing to the cost of the prison estate.

A prison system fit for purpose would ensure that we equip those in custody with the education and skills they need to get back on their feet and into employment; a prison system fit for purpose would provide better support on housing, linking those in custody with charities and other housing providers to keep them off the streets; and on healthcare, a prison system fit for purpose would ensure that prisoners' health conditions are addressed, prevented, supported and brought under control, so that we would reduce the burden on our NHS in the longer term and have a healthier society.

We should not have to hear horror stories of women leaving prison with nothing more than a cheap sleeping bag and a list of problems that is larger than when they started their sentence. The challenge is not straightforward—we can all accept that—but tackling it requires a better joined-up approach from the Government and other partners. It cannot simply be an afterthought or something that we leave to charities alone to solve.

I urge the Minister to listen to these concerns and to work with his colleagues in Government to bring about the changes needed within our justice system, to ensure that women are better supported upon release from it.

5.3 pm

Joanna Cherry (Edinburgh South West) (SNP): It is a pleasure to serve under your chairmanship, Mr Howarth.

I congratulate the hon. Member for Ogmores (Chris Elmore) on obtaining this debate and on putting the issues so succinctly, especially highlighting the fact that we need to question whether incarceration is always the right response to female offenders, and indeed to all offenders. Clearly there are serious offenders who must be incarcerated, but for less serious crimes we need to consider alternative modes of disposal.

The hon. Member for Stretford and Urmston (Kate Green) spoke very strongly about the issues, based on her own hard work in and long experience of this area, and she spoke very movingly about the very real issue of deaths in custody and female suicides. She also spoke about the need to transform the way that we

[Joanna Cherry]

rehabilitate women, and about the need to address the issue of the funding that is required to do so. Topically, given today's debate in the main Chamber, she also spoke about the need to address universal credit issues for women leaving the prison estate.

The hon. Member for Swansea East (Carolyn Harris) again emphasised the importance of resources for support and counselling, and raised the genuine issue of the homelessness of many women who leave our prisons across the United Kingdom. The hon. Member for Strangford (Jim Shannon) made the point that prison officers in his constituency who serve in the system see the need for reform, and the hon. Member for Stockton South (Dr Williams) emphasised the duty of care that is owed to these women, as well as the great importance of tackling mental health issues.

This is a devolved matter, and in Scotland we have faced similar challenges. The Scottish Government have worked to support the effective reintegration and rehabilitation of women released from prison. To do that, they put together the reducing reoffending change fund, which funds a number of services that provide mentoring support to women in the criminal justice system—in particular, to women leaving prison. They also looked closely at the issue of short custodial sentences, and there is now a presumption in Scots law against short custodial sentences for all prisoners. The idea is that it is easier to rehabilitate people if they do not serve a short custodial sentence. The Scottish Government are doing work in that area.

Let us be frank: Scotland has a serious problem with the number of people incarcerated. In 2015, women made up more than 5% of the prison population in Scotland. That is the second-highest female prison population in northern Europe. Only Spain has a higher female prison population. In response to that issue, a commission was set up under the former Lord Advocate of Scotland—my boss in another life—Dame Elish Angiolini, who looked into how to improve outcomes in Scotland for women in the criminal justice system. She published a report in 2012, which made many wide-ranging recommendations, including the establishment of community justice centres, which offer a one-stop support network for women, the introduction of nationwide mentoring services to support women's compliance with court orders, and alternatives to remand—a disproportionate number of women end up on remand. She also recommended that the women's prison—the main women's facility in Scotland—be replaced with a small specialist prison for women serving long-term sentences and smaller units for women on shorter-term sentences. The Scottish Government have begun to implement those changes. We should pay tribute to the campaigners for penal reform and feminist groups that called for those changes over a long period and were able to influence the system in Scotland.

When we discussed the issue of prisons in England and Wales in the Chamber recently, I invited the Under-Secretary of State for Justice, the hon. Member for East Surrey (Mr Gyimah), to visit the prison system in Scotland to see the reforms we are carrying out there, and he very generously did so. I extend that invitation to the Minister. I am not saying the situation is perfect, but we have moved forward and taken the Angiolini report's

recommendations on board. Hon. Members have argued today that the UK Government should similarly take on board the Corston report's recommendations.

The Scottish Government are also supporting rehabilitation services in the community. I would like to mention Willow, which services women in my constituency and across Edinburgh and the Lothians. It provides a range of services for women who are returning from prison to the Edinburgh or Midlothian area. It is a partnership between NHS Lothian, the City of Edinburgh Council and the Scottish Association for the Care and Resettlement of Offenders. It aims to improve the health, wellbeing and safety of women leaving prison, enhance their access to services and reduce their offending behaviour. It is an excellent facility—one of many that are springing up in Scotland. I am interested to hear from the Minister whether similar facilities will be funded by the sort of cross-government and local government partnerships that have been set up in Scotland.

5.8 pm

Imran Hussain (Bradford East) (Lab): It is a pleasure to serve under your chairmanship, Mr Howarth. I thank my hon. Friend the Member for Ogmire (Chris Elmore) for securing this very important debate. I understand that time is short, so I will get straight to the point.

After release, six out of 10 women have no home to return to, nine out of 10 women have no job, and one in two women sentenced to less than 12 months reoffends within a year. That is an appalling record, but, looking at the Government's policies and decisions, it is clear why women released from prison are let down so badly.

The clearest of the policies affecting women after release is the privatisation of the probation system and the formation of community rehabilitation companies. CRCs have not simplified the provision of services and have done nothing more than reduce the effectiveness of the probation system in preventing reoffending. That has led them to be criticised, rightly, across the political spectrum, including by the Justice Secretary, as not fit for purpose.

The impact of CRCs is specifically felt by female offenders as probation has lost the vital one-to-one support that the Women in Prison campaign sees as crucial to reducing reoffending and securing better services and employment. Instead, the focus is on cheaper group work, which simply fails to provide the same benefits and leaves women without the tailored support that they need. However, rather than address the concerns raised about CRCs, the Government are rewarding failure by awarding them a further £277 million in funding. The decision to privatise probation has also meant an end to the ring-fenced funding for women offenders who leave prison, leaving provision dependent on local commissioning arrangements and creating a postcode lottery of post-release support.

Women are also being let down by the penal system before release, with a shameful lack of support in prisons, which makes it no easier to find homes or employment on the outside. Between prisons, there is significant variation in the quality of training courses, with many failing to offer wide-ranging vocational courses, and many that do nothing to overcome gender stereotypes. Many do not provide enough IT-related courses to teach skills that are vital to obtain employment in the 21st-century marketplace. That provision may be bad,

but 70% of women in prison—those serving less than six months—have little to no access to courses at all, leaving them without enough support to find secure employment.

Although recent changes have led to all women's prisons being labelled as resettlement prisons, progress on shifting the focus is slow and there is no overarching system to help offenders into employment. The housing support provided to offenders after release also varies dramatically between prisons. Although some women may have somewhere to go, the rules surrounding housing, the lack of provision and the absence of joined-up services mean that some do not. Some women may try to get into approved premises, but they are only available for specific offenders and are limited in number. Others may try to secure council housing, but there are shortages and specific criteria. More may attempt to find accommodation in the private rented sector, which is unaffordable, with landlords often unwilling to rent to ex-offenders. More worryingly, women who have suffered domestic or sexual violence may return to their abusive partners. The lack of support for housing is putting those women in grave danger.

What runs through the heart of the rules is a failure to take on board the Select Committee on Justice's acceptance that women face very different hurdles from men. The Government are doing nothing to provide a distinct approach to the specific needs of female offenders, and are instead continuing with badly managed programmes that are often not fit for purpose in the first place, let alone fit to meet specific needs.

The Government say that they will produce a long-overdue strategy for female offenders. It must be specifically tailored to women's needs, and not just be a rehash of existing policies with a female spin. It has to look seriously at whether prison is the right place for some women. The many cases in which women reoffend because of the appalling lack of support do not serve the best interests of women or of society.

I want to hear from the Minister what he is doing to ensure that women have access to a greater range of employment courses and that those serving short sentences have access to them, so that they can get a job; what he is doing with colleagues to overturn some of the ridiculous housing rules and biases against female offenders, so that after release they will have a roof over their head; why the follow-up report to the Corston report has been so damning; and what the Government are doing to fully implement the report's recommendations to prevent women from reoffending. When will the Minister or his colleagues publish their strategy for female offenders? Crucially, what will that strategy entail? Can he assure me that it will look seriously at the range of sentencing options available for female offenders?

5.14 pm

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Ogmire (Chris Elmore) on securing a debate on such an important subject. He and many other speakers have made thoughtful and informative contributions and have raised several pertinent points that I will respond to.

I share many of the concerns that have been raised today. Female offenders are some of our most vulnerable members of society and often have complex needs. A significant number of the female prison population are indeed victims of difficult circumstances. They often face mental health issues, substance misuse problems, domestic abuse and homelessness. Those are all issues that need to be addressed during and on release from prison if we want to reduce reoffending and enable the women to have a chance to reintegrate back into their communities.

Our statistics show that almost half of women reoffend after leaving custody. That is not acceptable. I do, of course, recognise the concerns raised by the September 2016 Her Majesty's inspectorate of probation thematic report on women's services in the community. The report acknowledged that there were examples of excellent work, but that it was inconsistent. It was also encouraging that the majority of women interviewed felt that their involvement with probation services had helped reduce their likelihood of reoffending.

We accept that aspects of probation delivery, including through-the-gate services, are not meeting our expectations. As the Under-Secretary of State for Justice, my hon. Friend the Member for East Surrey (Mr Gyimah), made clear in July, we have already taken action to make changes to the contracts with community rehabilitation companies to better reflect the costs to providers of delivering core services. We are continuing to work with providers to explore further action that we might take to ensure that services protect the public, rehabilitate offenders and deliver the sentences of the court.

Her Majesty's Prison and Probation Service contract management team has reviewed the compliance of CRCs against gender-specific contractual requirements. Although in general CRCs are adhering to their obligations, we are working with them to identify the necessary actions required to improve delivery and outcomes for women offenders. It is important, too, that women who are being supervised by the national probation service on licence have access to the interventions that will help build and sustain their rehabilitation. HM Prison and Probation Service is looking at the interventions provided to women in custody and in the community to identify any gaps or deficits, but also to ensure that staff maximise the use of interventions that are currently available.

The Transforming Rehabilitation reforms extended post-release supervision to some 40,000 offenders serving short custodial sentences, who previously received no support from probation on release. They also introduced through-the-gate services to help released offenders to resettle in the community. We know that, with the extension of supervision to offenders serving short custodial sentences, the number of recalls of women has increased.

Although it is important that a community order or post-custodial licence is properly enforced, we also need to support women to reduce unnecessary recall. We have therefore taken forward specific work to ensure we engage effectively with female offenders to improve compliance with an order or licence. This includes offering female offenders the option of a female offender manager if that suits their needs best; issuing a practice guidance document on working with women offenders to probation staff to help them to consider issues specific to female offenders; updating our instructions to probation

[Dr Phillip Lee]

staff on offender childcare to support access to childcare provision to facilitate engagement in supervision and specified activities, thus supporting female offenders to complete the requirements imposed upon them where childcare issues were previously a barrier; better supporting staff by providing additional guidance to inform their consideration of the thresholds to recall by, and, where viable, to make alternative decisions to improve engagement and compliance; and looking at how to best train prison and probation staff on how to most effectively engage with women and to work with them in a way that takes into account their previous experiences of trauma. Evidence indicates that if we do so, we are more likely to achieve effective outcomes and increase their compliance with their community order or post-custodial licence.

Concerns have been raised today about the sustainability of women's centres. We recognise the important role that women's centres can play in supporting female offenders, and those at risk of offending, to address their often complex needs and turn their lives around. We are investing £1 million in seed funding between 2016 and 2020 for local areas to develop new ways of working with female offenders by adopting a joined-up multi-agency approach and bringing together services at each stage of the criminal justice system. That model, often termed a whole-system approach, brings together local agencies and criminal justice—statutory and voluntary—to take a joined-up approach to providing the holistic, targeted support that a female offender needs, with shared investment and outcomes.

Women's centres are at the heart of many of those models. The national probation service and CRCs are key partners, ensuring that female offenders receive targeted, wraparound support, both through the gate and in the community. I strongly believe that locally led services are more effective in addressing the needs of vulnerable women. The first whole-systems approach model in Greater Manchester has been fully operational since January 2015. The model includes police triage, a problem-solving court, and support alongside community orders and on release from prison. Although we cannot conclude that the model has had a direct impact, there has been a reduction in the number of adult women prosecuted, and in the number given custodial sentences in Greater Manchester in 2016. Learning from Greater Manchester and our other grant-funded areas will inform our future work.

There is considerable evidence of a link between a lack of stable accommodation and reoffending, with suitable accommodation playing an important part in enabling offenders to get a job or get into training, and to get registered with a GP. HMPPS has undertaken some initiatives to improve access to accommodation, such as expanding the bail accommodation and support services contract to offer accommodation to offenders on licence. We continue to work with all probation providers to ensure that offenders get the support that they need to find accommodation on release.

Accommodation is, however, a serious problem that requires a cross-departmental response. We are working with the Department for Communities and Local Government on a number of its housing priorities, including the implementation of the Homelessness Reduction Act 2017. Through the duty to refer, all

prisons and probation providers will be subject to a new duty to refer someone they support who might be at risk of becoming homeless to the local housing authority.

I want to mention the work that we are doing to improve health outcomes. We are looking closely at what more we can do to improve support and continuity of care and treatment when someone leaves prison. One example is the change we made to allow prisoners to register with a GP prior to their release from prison, to facilitate a timelier transfer of information from prison to GP practices. That sounds like a simple change, but I know from my professional experience what a difference it can make.

The number of self-inflicted deaths is thankfully reducing, but six women still died in prison in the 12 months to June 2017. All deaths in custody are a tragedy, and I am acutely aware of the need to do more to meet the needs of women in our care. The incidence of self-harm is also still unacceptably high, and disproportionate compared with men. We are acting on the initial results from the Independent Advisory Panel on Deaths in Custody's rapid information-gathering exercise on preventing the deaths of women in prison.

Action we have already taken includes making improvements to prison reception areas and first-night provision. We have also updated and improved the assessment, care in custody and teamwork process for supporting at-risk prisoners, and we have strengthened the suicide and self-harm training for staff, and for ACCT case managers. Juliet Lyon, the author of the report, also looked at what more could be done for women before their release from prison. She noted that the run-up to release could be particularly stressful as women consider all aspects of their life that have been on hold while they have been in prison. I met with Juliet only recently.

The hon. Member for Stretford and Urmston (Kate Green) always makes an informed contribution to these debates and I thank her for that. We have been reviewing and, as I have already said, have changed the contracts around CRC. The Department continues to assess the performance of probation, particularly for women because there have been difficulties. I met with DCLG this morning to discuss accommodation.

Regarding the points made by the hon. Member for Swansea East (Carolyn Harris), I fully recognise the complexity of the women involved and their needs. Every prisoner I have met has appeared vulnerable to me, whatever their crime. The hon. Lady said that there are two whole-life sentences, but there are a greater number of restricted prisoners in the country. It should be noted that more than 2,000 women currently held in custody are there for more than 12-month sentences, so there is no easy fix, and we need to maintain some perspective.

The hon. Member for Strangford (Jim Shannon) made reference to substance misuse and mental health care access. As a practising doctor, I am aware of that. Indeed, I am fully aware of the difficulties in seeking appropriate mental health care within prisons, continuity of care on leaving prison and access to appropriate substance misuse programmes. I have been doing my bit to go into bat for the Department on that with the Department of Health, which ultimately carries responsibility for those services.

The hon. and learned Member for Edinburgh South West (Joanna Cherry) kindly invited me to visit Scotland, but I am already going. I was going to go last week, but I am now going in December. I was very impressed by the presentation we had by people from the Scottish Parliament and Scottish civil service on the quite impressively bold approach on women's justice that is being embarked upon in Scotland. I very much look forward to visiting.

Finally, in terms of the Government's strategy for female offenders, one issue that was raised in the thematic report on women's services by Her Majesty's inspectorate of probation was the lack of a strategic focus on women. I am pleased to say that we have made progress. In April this year, Sonia Crozier was appointed executive director for probation and women. The creation of that role provides an excellent opportunity to focus on the needs of women in a more holistic way across prisons and the community. I am also leading the development of a female offender strategy, which I intend to publish later this year. This debate has been helpful in informing that work and highlighting what else we need to do to improve outcomes for women in the community and custody.

5.26 pm

Chris Elmore: Thank you, Mr Howarth, for giving me the opportunity to respond. I start by thanking my hon. Friends the Members for Stretford and Urmston (Kate Green), for Stockton South (Dr Williams) and for Swansea East (Carolyn Harris) for their passionate contributions, which drew on their own experiences through casework and their work in the House through Women in Prison. I thank the hon. Member for Strangford

(Jim Shannon) and the hon. and learned Member for Edinburgh South West (Joanna Cherry), who I appreciate is here in her role as a Front-Bench spokesperson.

There has been a reasonable amount of consensus. I am grateful to the Minister for acknowledging many of our legitimate concerns, responding in a constructive manner and setting out what the Government are doing. Maybe he could ask some other Ministers to respond in such a constructive manner in other Westminster Hall debates.

There are ongoing accommodation issues that seem to link to lots of other problems. I was glad to hear the Minister respond to that point. I was also glad to hear him acknowledge that there is a lot more to be done. It is nice that he is not suggesting that these things can all be resolved overnight, but I appeal to him to keep Members informed of the work that the Ministry of Justice is doing. I acknowledge that there is cross-departmental work to be done, so he cannot solve everything all the time.

The Minister mentioned suicide rates. There were 10 female suicides last year. The rate is higher than among men. All suicide is unacceptable, as he said, but we still face a real and deep-rooted issue of women being deeply and adversely affected by a prison system that is not working for them. I am glad that the Minister acknowledges that, but we need to do more, which I accept he sees too.

Question put and agreed to.

Resolved,

That this House has considered women released from prison.

5.28 pm

Sitting adjourned.

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